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RIVERTON EXTENSION UNIT

HEARING
BEFORE THE
SUBCOMMITTEE ON
WATER AND POWER RESOURCES
OF THE
COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS
UNITED STATES SENATE
NINETIETH CONGRESS

FIRST SESSION

ON

S. 670

A BILL TO REAUTHORIZE THE RIVERTON EXTENSION UNIT, MISSOURI RIVER BASIN PROJECT, TO INCLUDE THEREIN THE ENTIRE RIVERTON FEDERAL RECLAMATION PROJECT, AND FOR OTHER PURPOSES

NOVEMBER 30, 1967

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SECRET

1. The purpose of this document is to provide a comprehensive overview of the current state of the project and to outline the key objectives and milestones for the next phase of development.

2. The project has made significant progress since the last report, with several key milestones being achieved. These include the completion of the initial design phase, the successful implementation of the core system architecture, and the commencement of user testing.

3. The primary objectives for the next phase are to refine the system architecture, address any outstanding issues identified during user testing, and complete the integration of all system components. Key milestones for this phase include the finalization of the system architecture, the completion of integration testing, and the successful deployment of the system to the production environment.

4. The project team is committed to maintaining a high level of transparency and communication throughout the development process. Regular status reports and meetings will be held to ensure that all stakeholders are kept up-to-date on the project's progress and any potential risks or challenges.

5. The project is currently on track to meet its scheduled milestones and deliver a high-quality system that meets the needs of the organization. The team is confident that the challenges ahead will be overcome through continued collaboration and hard work.

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RIVERTON EXTENSION UNIT

THURSDAY, NOVEMBER 30, 1967

U.S. SENATE,
SUBCOMMITTEE ON WATER AND POWER RESOURCES OF
THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 3110, New Senate Office Building, Senator Clinton P. Anderson, chairman of the subcommittee, presiding.

Present: Senators Anderson, Moss, Jordan of Idaho, Hansen, Fannin, and Hatfield.

Senator ANDERSON. The hearing will come to order.

The hearing this morning is for the purpose of receiving testimony on S. 670, a bill introduced by Senator McGee and cosponsored by Senator Hansen to reauthorize the Riverton extension unit, Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes.

The Riverton project has been before this committee several times. Hearings have been held in Wyoming and in Washington, D.C. These were for the purpose of permitting the Secretary of the Interior to continue to deliver water to lands in the third division during 1960, 1961, 1962, and 1963. These attempts to irrigate the third division were unsuccessful and culminated in relief legislation in 1964 under which the Federal Government subsequently purchased the lands of the third division.

These lands were reclaimed to afford relief from the serious financial and production problems the landowners experienced in the third division. S. 670 is an attempt to rectify these problems by providing the means for the Secretary to dispose of the lands so as to allow progress in the economic development of these lands.

I hope that the testimony presented here will resolve the important issues and satisfy all concerned.

Before proceeding with the witnesses, a copy of the bill and the reports from the Department of the Interior and the Bureau of the Budget will be placed in the record at this point.

(The data referred to follow:)

[S. 670, 90th Cong., first sess.]

A BILL To reauthorize the Riverton extension unit, Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the general plan for the Riverton extension unit, Missouri River Basin project, heretofore authorized under section 9

of the Flood Control Act of 1944 (58 Stat. 887), is modified to include relief to water users, construction, betterment of works, land rehabilitation, water conservation, flood control, and silt control on the entire Riverton Federal reclamation project. As so modified the general plan is reauthorized under the designation "Riverton unit of the Missouri River Basin project".

SEC. 2. (a) The Secretary of the Interior is authorized to negotiate and execute an amendatory repayment contract with the Midvale Irrigation District covering all lands of the Riverton unit. This contract shall replace all existing repayment contracts between the Midvale Irrigation District and the United States.

(b) The period for repayment of the construction and rehabilitation and betterment costs allocated to irrigation and assigned to be repaid by the irrigation water users shall be fifty years from and including the year in which such amendatory repayment contract is confirmed.

(c) During the period required to construct and test the adequacy of drains and other water conservation works, the rates of charge to land classes and the acreage assessable in each land class in the unit shall continue to be as established in the amendatory repayment contract with the district dated June 26, 1952; thereafter such rates of charge and assessable acreage shall be in accordance with the amortization capacity and classification of unit lands as determined by the Secretary.

(d) The district's repayment obligation under the amendatory contract shall reflect a credit for any amounts paid by the district in reduction of its repayment obligation under previous contracts, and the repayment period of individual tracts within the district shall be reduced to reflect a credit for any amounts paid by the district in reduction of its repayment obligation under previous contracts which are attributable to such tracts.

(e) During the first ten years of the repayment period under the amendatory contract, the annual payment obligation of the district shall be reduced by the amounts which the district has credited in the previous year to water users who have provided title for the project drainage program: *Provided*, That the total of such reductions shall not exceed \$50,000.

SEC. 3. (a) Construction and rehabilitation and betterment costs of the Riverton unit which the Secretary determines to be assignable to land classified now or hereafter as permanently unproductive shall be nonreturnable and nonreimbursable: *Provided*, That whenever new lands or lands now or hereafter classified as nonproductive, are classified or reclassified as productive, the repayment obligation of the district shall be increased appropriately.

(b) All miscellaneous net revenues of the Riverton unit shall accrue to the United States and shall be applied against irrigation costs not assigned to be repaid by irrigation water users.

(c) Construction and rehabilitation and betterment costs of the Riverton unit allocated to irrigation and not assigned to be repaid by irrigation water users nor returned from miscellaneous net revenues of the unit shall be returnable from net revenues of the Missouri River Basin project.

SEC. 4. The limitation of lands held in beneficial ownership within the unit by any one owner, which are eligible to receive project water from, through, or by means of project works, shall be one hundred and sixty acres of class 1 land or the equivalent thereof in other land classes, as determined by the Secretary.

SEC. 5. (a) Lands available for disposition on the Riverton unit, including property acquired pursuant to the Act of March 10, 1964, shall be sold at public or private sale at not less than appraised fair market value at the time of sale. The Secretary may dispose of such lands in tracts of any size, so long as no such disposition will result in a total ownership within the unit by any one owner in excess of the limitation prescribed in section 4 above.

(b) In the disposition of lands on the Riverton unit, resident landowners on the unit who have not obtained relief under the Act of March 10, 1964, as amended, shall have a prior right to purchase tracts in order to supplement their existing farms.

SEC. 6. Appropriations heretofore or hereafter made for carrying on the functions of the Bureau of Reclamation shall be available for credits, expenses, charges, and cost provided by or incurred under this Act. The Secretary is authorized to make such rules and regulations as are necessary to carry out the provisions of this Act.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., November 27, 1967.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JACKSON: This responds to your request for the views of this Department on S. 670, a bill "To reauthorize the Riverton extension unit, Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes."

We recommend that this bill be enacted, if amended as suggested herein.

The Riverton project was first authorized as an Indian project by the Act of March 2, 1917 (39 Stat. 969). It was placed under the jurisdiction of the Bureau of Reclamation by the Act of June 5, 1920 (41 Stat. 874, 915); the first and second divisions of the project, encompassing some 45,000 acres of irrigable land, were brought in during the next 20 years. The general plan of development of the third division of the project was reauthorized by the Flood Control Act of 1944 (58 Stat. 887), under the designation "Riverton extension unit of the Missouri River Basin project." Because of the difference in time between the construction of the third division and the first two divisions of the project, the third division has been more or less consistently treated as a separate entity by Congress. S. 670 would reauthorize the entire unit and establish the consolidated unit as a part of the Missouri River Basin project.

The third division presently contains 11,831 irrigable acres of which 8,913 acres are presently capable of sustained production under irrigation and 2,918 acres will require construction of drains or other betterment works to be capable of sustained production under irrigation. All but a small portion of this acreage is presently owned by the United States, which acquired the lands under the provisions of Public Law 88-278 (78 Stat. 156). These lands were acquired because of the serious financial and production problems which had been encountered by the landowners on this unit. One purpose of S. 670 is to permit the Secretary to dispose of these lands in such a way as to permit their use and development in an orderly and economic manner.

The Wyoming Game and Fish Commission now administers 10,539 acres of public lands on the Riverton project under a General Plan as provided for in the Fish and Wildlife Coordination Act, 16 U.S.C. 661-666c. It has also acquired fee title to 2,280 acres of deeded land on the project. The Commission has a long-range general plan for the expansion of fish and wildlife facilities in the project area, under which it will ultimately acquire an additional 7,000 acres of deeded land and add approximately 7,830 acres of public lands presently withdrawn by the Bureau. In addition, more than 10,000 acres of aquatic habitat would be developed under the general plan for fish and wildlife purposes.

The total cost of this fish and wildlife development, when completed, would be approximately \$1.5 million, of which the State Game Commission had expended approximately \$376,000 of its own funds through 1965.

The policies which have recently been approved by the Congress in Public Law 89-72, the Federal Water Project Recreation Act, favor the inclusion of fish and wildlife conservation and development and recreation as project purposes if cost-sharing arrangements can be made with appropriate non-Federal agencies. The Act specifically authorizes construction of recreation facilities at existing reclamation projects. Inclusion of fish and wildlife conservation and development and recreation as purposes of the Riverton unit would bring this unit more nearly in line with the multiple-purpose authorization of the Missouri River Basin project.

Section 1 of the bill would reauthorize the entire Riverton project as a unit of the Missouri River Basin project. This would permit the consolidated project to be placed under one contracting organization, the Midvale Irrigation District, now administering the first two divisions. That District would absorb the lands of the third division and would assume operation and maintenance responsibility for the project works.

Subsection 2(a) of S. 670 would authorize the Secretary to replace all existing repayment contracts by a single amendatory repayment contract with the Midvale Irrigation District.

Subsection 2(b) authorizes a 50-year repayment period for the amendatory contract.

Subsection 2(c) authorizes retention of the rates of charge to existing land classes and the acreage assessable in each land class during constructing and testing of the water conservation works. Thereafter the rates of charge and assessable acreage would be determined in accordance with the amortization capacity and classification of unit lands as determined by the Secretary.

Subsection 2(d) provides for credit to the District for amounts paid on the repayment obligations under previous contracts and a commensurate reduction in the repayment period of individual tracts to reflect credit for amounts formerly paid by the District and attributable to such tracts.

Subsection 2(e) provides that for the first 10 years of the repayment period the annual obligation of the District would be reduced by the amounts the District has credited to water users who have provided drainage tile at their own expense, to a total of not to exceed \$50,000. The project has run into serious problems of waterlogging and salinization. The District has undertaken the task of repairing or replacing deteriorated project works, lining canals and laterals, and installing an effective drainage system under a rehabilitation and betterment program. A sum of \$4,464,925 has been obligated under that program by the District by June 1966 and local farmers themselves have spent almost \$50,000 for drain tile. In future drainage programs landowners will not be required to furnish tile at their own expense and it seems equitable to give credit to those who have already contributed for such purposes. Pursuant to this subsection the irrigation district will credit individual water charges over a 10-year period until the farmers' contributions have been repaid and the United States will in turn reduce the District's obligation by the amounts so credited.

Subsection 3(a) provides nonreimbursable treatment for construction and rehabilitation and betterment costs of the unit assignable to land classified as permanently unproductive. If these lands should be reclassified as productive, the repayment obligation of the District would be correspondingly increased.

Subsection 3(b) commits application of net revenues of the Riverton unit to irrigation costs which are not assigned to be repaid by water users.

Subsection 3(c) provides that net revenues of the Missouri River Basin project would be applied to reimbursable costs not assigned to be repaid by irrigators or returned from net revenues of the unit.

Section 4 modifies the excess land provisions of the Federal reclamation laws to permit delivery of water to owners of 160 acres of Class 1 land or their equivalent in other land classes, as determined by the Secretary. Public Law 88-278 permitted modification of the excess land provisions of lands in the third division alone. This bill would extend that modification to the entire unit and is justified by the same conditions—all these lands are located at high altitudes with a relatively short growing season and are limited in their adaptability for crops.

Subsection 5(a) authorizes the Secretary to sell lands on the unit at public or private sale in tracts of any size at not less than their appraised then fair market value so long as no one owner holds more than 160 acres of Class 1 lands or their equivalent as classified under section 4.

Subsection 5(b) gives a priority to resident landowners on the unit who have not sold their lands to the United States under Public Law 88-278. Those persons entitled to priority may purchase lands to supplement their existing farms.

The following statement reflects the financial accounts of the Riverton unit as they would be if S. 670 is enacted and the entire Riverton extension unit is reauthorized as a unit of the Missouri River Basin project:

I. Project costs:	
Plant and equipment to June 30, 1966-----	\$25, 295, 319
Land costs-----	4, 262, 980
Miscellaneous costs to June 30, 1966-----	734, 465
Estimate to complete R. & B. and minor facilities-----	108, 000
Estimate for additional construction for Midvale area---	11, 103, 000
Fish and Wildlife lands and facilities-----	1, 565, 000
Total-----	43, 069, 664
II. Allocation of costs:	
Irrigation-----	40, 975, 523
Power-----	528, 241
Fish and wildlife-----	1, 565, 000
Total-----	43, 069, 664

III. Project repayment:		
A. Power: By power revenues-----		528, 241
B. Irrigation:		
1. By irrigators:		
Paid through June 30, 1966--	² \$1, 192, 406	
Anticipated -----	2, 959, 924	
		4, 152, 330
2. By power revenues:		
Riverton—Pilot Butte-----	497, 563	
Missouri River Basin power--	19, 875, 648	
		20, 373, 211
3. Contributions and other revenue-----		
		157, 576
4. Chargeoffs to unproductive lands:		
Authorized to date-----	817, 757	
Anticipated -----	³ 11, 069, 176	
		11, 886, 933
5. Nonreimbursable costs:		
Land costs-----	⁴ 4, 262, 980	
Administration of Public		
Law 83-258-----	116, 501	
Investigation report re-		
quested by 88th Congress--	25, 992	
		4, 405, 473
Total—Irrigation -----		40, 975, 523
C. Fish and wildlife:		
1. By Wyoming Game and Fish Commission-----		
		782, 950
2. Nonreimbursable costs-----		
		782, 950
Total—Fish and wildlife-----		1, 565, 900
Grand total-----		43, 069, 664

¹ Cost of acquiring Indian lands under Public Law 83-284 and 3d division lands under Public Law 88-278.

² Includes repayment from other sources, such as grazing lands.

³ Writeoff of 3d division land costs is limited to lands found permanently nonproductive. Costs assignable to the 8,913 acres still irrigable would be transferred to the reimbursable irrigation allocation for the unit.

⁴ These costs will be reduced by the amount of returns from sales of acquired lands.

The foregoing tabulation establishes that \$19,875,648 would be required for financial assistance from net power revenues of the Missouri River Basin project. The sufficiency of such revenues to meet the reimbursement and financial assistance obligation of the overall Missouri River Basin project was dealt with most recently in our "Report on Financial Position, Missouri River Basin Project, December 1963," which was transmitted to the Congress on December 17, 1963. That report illustrated that with an increase of \$0.25 mills per kilowatt-hour in the sale price of firm commercial power marketed in the Eastern division of the project, and adoption of proposed interest rate criteria, adequate revenues are in prospect to retire all reimbursable investments and meet all requirements for financial assistance, including defrayal of irrigation costs of the Riverton extension unit which are beyond the capacity of the irrigators to repay. The required rate increase has been promulgated by administrative action and the proposed interest rate criteria have been authorized by the Congress through enactment of section 4(b) of the Act of August 5, 1965 (79 Stat. 433). Such financial assistance would be accomplished on or before the 50th year following confirmation of the above-discussed amendatory repayment contract.

We recommend that:

(1) Section 1 of the bill, page 1, line 7, be amended by inserting the words "fish and wildlife conservation and development, and recreation," following the words "water conservation,".

(2) Subsection 2(b), page 2, line 13, be amended by changing "confirmed" to "executed". This amendment conforms the bill to existing procedures of this Department.

(3) Subsection 2(e), page 3, line 10, be amended by changing "title" to "file".

(4) A new section be added and numbered section 6, to read as follows:
 "Sec. 6. The provision of lands, facilities, and project modifications which furnish outdoor recreation and fish and wildlife enhancement benefits in connection with the Riverton extension unit shall be in accordance with the Federal Water Project Recreation Act (79 Stat. 213)."

(5) Renumber the present section 6 as section 7 and change page 5, line 2, to read "by or incurred under this Act: *Provided*, That there are hereby authorized to be appropriated such sums as may be necessary to establish the fish and wildlife and recreation plan authorized by this Act. The Secretary is authorized".

There is not as yet a definitive plan for development of the recreation potential of the project. Presently there is considerable use of Ocean Lake for recreational purposes and it is reasonable to expect that this use of project facilities will continue. Moreover, it is anticipated that the State agency, in executing its fish and wildlife responsibilities, will construct and operate some facilities normally considered recreational in nature, such as boat-launching ramps, boat docks, and public toilets.

Our review of the crop data for the region, including the third division, indicates that these lands, if properly cared for, should be as productive as those of the present Midvale District. Our conclusions are buttressed by widespread interest in the area in acquisition of these lands, based not upon expectations of re-acquisition by the United States but upon a realistic appraisal of the productive capability of the lands involved, which have been successfully leased for several years.

We have estimated, carefully and conservatively, the payment capacity of the third division if this bill were to be enacted. The payment capacity for the irrigable acreage of the third division has been determined on the basis of a farm budget analysis for Class 2, 3, and 4 lands, which comprise the irrigable area of the division. The land class budgets were for farms containing the equivalent of 160 acres of Class 1 land. Crop yields used were conservative as compared to values established by the Soil Conservation Service and the Wyoming Extension Service for use in conservation planning in the Pavillion and Wind River Soil and Water Conservation District. Prices used were the averages of Wyoming for calendar year 1965 or for the applicable portion of that year. The farm budget analysis indicates that the average full-size farm of the third division will produce sufficient returns to meet farm expenses, pay water charges of \$4.66 per acre, and provide cash for family living to the extent of \$4,370 per year, exclusive of farm perquisites. Assuming that operation and maintenance for the irrigation system will average \$3.00 per acre per year (the current Midvale rate), the amount available to amortize the construction charge obligation would be \$1.60 for an average acre, or \$2.60 for each acre of Class 2 land; \$1.55 for each acre of Class 3 land; and 54 cents for each acre of Class 4 land. It is estimated that \$2,794,624 would be the portion of the reimbursable costs beyond the water users' repayment ability and the amount that would be required for the third division from Missouri River Basin power revenues if S. 670 were enacted.

It is our feeling that, although the possibility of future rehabilitation of the third division exists, the consolidation and reorganization of the entire project will minimize that possibility. Further, the costs of any such rehabilitation appear quite small when compared with the economic effects of virtual abandonment of the well-designed and constructed works of the third division with resultant loss of resource benefits of the existing Federal investment of approximately \$18 million in irrigation storage, conveyance, distribution, and drainage systems.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

KENNETH HOLUM,
Assistant Secretary of the Interior.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., November 17, 1967.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
United States Senate,
Room 3106, New Senate Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Bureau of the Budget on S. 670, a bill "To authorize the Riverton extension Unit,

Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes."

S. 670, if enacted, would provide for the sale to private interests of lands in the Third Division of the Riverton project and would permit such lands to be again put under irrigated project development. The bill is similar to S. 1746, 89th Congress, on which we furnished views to your committee by letter dated June 8, 1966. A copy of that letter is enclosed for your convenience.

The question of public policy involved in the Riverton project proposals contained in S. 670 are complex. On the one hand, the lands of the Third Division are currently being successfully irrigated under leasing arrangements, and the withdrawal of these lands from production could have adverse consequences from a regional standpoint. On the other hand, the project proposals in S. 670 would not significantly increase overall project repayment by irrigation water users, considered in relation to the Federal investment, and the fact remains that an earlier attempt to irrigate the Third Division was unsuccessful, culminating in relief legislation in 1964 under which the Federal Government subsequently purchased the lands of the Third Division.

After weighing these factors, and for the reasons expressed in greater detail in our letter of June 8, 1966, the Bureau of the Budget continues to hold the view that while another attempt to irrigate the lands of the Third Division would be risky, we would not object to the enactment of legislation providing assistance to the farmers of the First and Second Divisions on the basis discussed in that letter.

Sincerely yours,

PHILLIP S. HUGHES,
Deputy Director.

Senator ANDERSON. We have as our first witness this morning, our colleague, the Honorable Gale McGee from the State of Wyoming. We shall be pleased to hear from you now, Senator.

Senator MCGEE. I would like to defer to Governor Hathaway. He has to catch a plane. He has to be in Wyoming tonight, and if we may do that I will follow him, if that is all right with the committee.

Senator ANDERSON. Yes.

Senator HANSEN. If I may be permitted to do so, let me just take a moment to introduce Gov. Stanley K. Hathaway, and say a word about his background. I think it will be of interest to you and Senator Jordan.

Reclamation and farming is not a new experience to Governor Hathaway. He was raised in southeastern Wyoming, having been born in the State of Nebraska, but he quickly saw the light and the merits and moved to Wyoming.

Senator ANDERSON. I have heard that.

Senator HANSEN. He followed the advice of Horace Greeley. He was raised in Goshen County, one of the most important farming and irrigating counties in the State. He was raised on a farm, and since his graduation from high school and service in the Air Force during World War II, he has been, among other things, county prosecuting attorney for Goshen County, and he has continued his close contacts with people in the farming business.

He is well qualified, both by earlier training and experience and by first-hand knowledge of the Riverton project, to speak on this subject this morning. I would like to express my gratitude to him for having made the effort he has to be here this morning.

Governor Hathaway.

Senator ANDERSON. We are very glad to have you here.

STATEMENT OF HON. STANLEY HATHAWAY, GOVERNOR OF THE STATE OF WYOMING; ACCOMPANIED BY ROY PECK, EXECUTIVE DIRECTOR, WYOMING NATURAL RESOURCES BOARD, CHEYENNE, WYO.

Governor HATHAWAY. Mr. Chairman and members of the subcommittee, if I may I would like to call up here with me the executive director of the Wyoming Natural Resources Board, Mr. Peck.

Senator ANDERSON. We will be glad to have you do so.

Governor HATHAWAY. Thank you.

Mr. Chairman and members of the subcommittee, I have traveled to Washington with several of my fellow citizens of Wyoming to testify in favor of the enactment of S. 670, a bill to reauthorize the Riverton extension unit, Missouri River Basin project, to include the entire Riverton reclamation project.

Wyoming is a long way from Washington, and we are appreciative of the many efforts to improve our agricultural economy which have been made by the Congress. Just this last September, Members of Congress and representatives of the Bureau of the Budget and the Department of the Interior visited the Riverton project and, I believe, came away impressed by the affirmative changes they saw on the project and the need for this legislation to keep the momentum of these changes.

Agriculture is a fundamental part of the Wyoming economic base. And the Riverton project, with nearly 60,000 acres under cultivation, is an integral part of our Wyoming agricultural economy. By the Riverton project I make reference to the Midvale Irrigation District, which comprises the first and second divisions of the Riverton project, and the third division of the project. There are another 30,000 acres of land under irrigation in the Riverton-Fremont County area, making a total of about 100,000 acres of irrigated croplands in the Wind River Basin.

We do not underestimate the magnitude of the problems associated with the irrigation of these lands, and we do not try to hide some of the failures which have occurred in the nearly 70 years of agricultural endeavor in the lands of the Wind River.

But in that span of time, we have learned much about making these lands productive, and more important than anything else we have the land technicians, the farmers, who can make a profit from these lands, given a fair break in the economic winds which buffet agriculture in all parts of the Nation.

I mentioned affirmative changes earlier in this testimony that were observed during the recent tour of the committee to the project. By "affirmative changes," I mean especially people, people who have the capability to earn a wholesome and productive living from these lands, people like Mr. Bogacz, Mr. Welty, Mr. Anglen, and Mr. Davison who are testifying here today. These are capable, qualified farmers who have devoted their whole lives to these lands with heartening reward, and who, along with many others, are willing to dedicate the rest of their lives to these same lands.

This, then, is the fundamental difference that we see now as we ask favorable action on S. 670.

People make the real difference in farming. When we talk about a reauthorization of the Riverton project, we are really talking about reauthorizing the future of these agricultural people.

S. 670 and its companion bill in the House, H.R. 3062, will allow for fundamental and important changes in the method of administering and caring for the lands of the Midvale Irrigation District and the third division of the Riverton project as well. Through these changes, the future of the lands will be much improved, the economy of the area will receive major benefit, and the Federal Government will be placed in a much more profitable and tenable position relative to these lands.

It is not my intention to go into the technicalities of the project, or examine S. 670 in detail. There are technical experts on hand today to speak to you in these areas.

But, if I may, I would like to make comment on several aspects of the bill and its benefits.

First, I am sure you are well aware of the major contribution which the State of Wyoming has made to the Federal Government from its mineral royalties. The Federal Government holds the mineral rights on 72 percent of lands within Wyoming's borders.

Nearly \$600 million in mineral royalties has been paid into the Federal Government from lands within the borders of Wyoming and more than half that amount has gone to the Bureau of Reclamation. Wyoming contributes 38 percent of all Federal revenues collected from minerals by the United States. That is a rather staggering figure, but I am sure it can be substantiated. Down through the years, less money has been loaned to us than we have paid into the reclamation fund. And I would emphasize the word "loan," for the great majority of these reclamation monies are tied to repayment contracts, such as the one we propose for the Riverton project, and the present Midvale contract.

We would like a greater return of these mineral royalty monies to Wyoming, perhaps for many purposes including education, highways, water development, and industrial development, but that is another subject. Under present law, 37½ percent of these minerals' royalties are returned to the State while 62½ percent go to the reclamation fund and for administration purposes.

We feel that the Riverton project should participate in the net revenues of the Missouri River Basin project with these revenues applied to reimbursable costs not assigned for repayment by irrigators. The Wind River is one of the mightiest tributaries of the Missouri River system, and the Riverton project has had to bear unreasonable repayment costs because of its exclusion from the Missouri River Basin project. S. 670 will include the entire Riverton Federal reclamation project in the Missouri River Basin project system.

Midvale farmers have already made giant strides in the rehabilitation of the first and second divisions. The Midvale farmers have obligated themselves for \$4.5 million which has provided for the reclamation and protection against waterlogging and salinization of over 20 percent of the project. In addition, these farmers have spent much of their own money for tiles and drains, desilting and diversion. But the burden of reclamation cannot be accelerated fast enough without the benefits of S. 670.

The Midvale district in its 30 years of existence has become a strong economic factor in the Riverton-Pavillion-Shoshone area and, for that matter, the whole Fremont County area.

Factors relating to soils and other physical features that were unknown or inadequately understood 30 years ago, as well as the effects of farm units too small for our present economic conditions all enjoined to give this project a handicap in keeping pace financially with deterioration of lands and structures. The people at Midvale have done a remarkable job in keeping this a viable economic base of the community. To secure this resource for the future it is vital that the completion and corrective measures detailed in S. 670 be incorporated into the plans of the Midvale district as soon as possible.

In July 1967 I submitted a letter to the Secretary of the Interior on behalf of Wyoming and our State game and fish department of our intent to participate in the fish and wildlife conservation and regulation on the Riverton project pursuant to the Federal Water Project Recreation Act. I believe firmly in the multiple-use concept anticipated here for the project.

For that matter, our State game and fish department has already spent about \$250,000 in developing game and fish resources within this project.

S. 670 provides the opportunity for a new start on a feasible basis on the third division. We have the opportunity to block out realistic units on the third division, and our experience from the past allows us to eliminate lands now known to be troublesome when under irrigation.

Return of these third division lands to private ownership, and to the tax rolls, will accrue to the financial benefit not only of the local governmental units but to the Federal Government as well. Experienced Midvale farmers are available to till the soils of the third division successfully.

The economic importance of this entire resource to a thriving community and the State is of vital concern to us, and, I believe, to you.

Other witnesses will testify before you in some depth as to the importance of completing the corrective process and maintaining this land and water resource in a sound condition. The Congress acted in 1964 to start the corrective process by enactment of Public Law 88-278. At this time the Congress recognized some needs in the Midvale district and suggested these needs be considered at a later date. Now is the time, and S. 670 embodies these considerations.

We believe the situation today, since enactment of Public Law 88-278, which concerned only the third division, creates a clean opportunity for sound resolution of the problems of the Riverton project.

This problem has been before you for several years. We believe that during this time much has changed. Soils are better understood and have been reclassified. Experienced farmers can make the Riverton project a strong economic unit if afforded the changes offered in S. 670.

I submit that S. 670 will resolve the problems before us, and I urge your favorable consideration of it.

Thank you.

Senator ANDERSON: At one time there was a recommendation that the farmers go off and leave the land. Is that different now?

Governor HATHAWAY. Senator, there has been considerable discussion, of course, and a lot of it before my time. I am not familiar with the details of the repurchase provision. There are productive lands there. A portion of the project is now owned by the Bureau of Reclamation, and we feel that by making larger units for the people that are on the first and second divisions who have had no trouble—they have always paid their commitments to the United States, and it is a healthy farm economy—and by including all under one project that the entire matter can be healthier.

Senator ANDERSON. Would there be any writeoff of the present indebtedness?

Governor HATHAWAY. No; they expect to fully pay the balance of the construction charges on the first and second divisions.

Senator ANDERSON. Is the Shoshone project included in that; that is, the part of the reservation lands?

Governor HATHAWAY. I am not familiar with that. Perhaps, some of the other witnesses will be.

Senator ANDERSON. Do you know of any opposition to this?

Governor HATHAWAY. I know of no opposition to it.

Senator ANDERSON. Are there grazing lands within the area?

Governor HATHAWAY. Mr. Peck could answer that.

Mr. PECK. I will answer that. There are grazing lands adjacent to this, in the third division, which have never been brought into irrigation. That is part of the overall picture. These were purchased from the Shoshone-Arapaho Tribes, and they would like to recover them if they could. This was a purchase from the tribe at the time that the reclamation district was withdrawn from the reservation, which you may know entirely surrounds that whole area. It was a withdrawal from the Indians, and the like.

Senator HANSEN. If I might interpose a word?

Senator ANDERSON. Very well. I want to put this telegram in the record.

Senator HANSEN. You have anticipated precisely what I was going to do. I, too, have a copy of the wire from the Shoshone and Arapaho Tribes, and I had intended, as you have already done, that it be incorporated into the record.

Senator ANDERSON. We will put it in the record at this point.

(The telegram referred to follows:)

FORT WASHAKIE, WYO.

HON. CLINTON P. ANDERSON,
Chairman, Interior Subcommittee on Water and Resources, U.S. Senate,
Washington, D.C.:

The Shoshone and Arapahoe Tribes oppose S. 670 to reauthorize the Riverton extension unit unless provision is made to require the Bureau of Reclamation to honor its long-established policy and return or sell back to the tribes 63,000 acres of former tribal grazing land not needed for reclamation purposes. The tribes sold 161,520 acres of tribal land to the United States for reclamation purposes. Under the act of August 15, 1953, 67 Stat. 592, for \$6.25 per acre. Some 63,000 acres of this land never have been used for reclamation purposes. The 63,000 acres are on the reservation and are contiguous to 2 million acres of tribal land now administered by the Bureau of Indian Affairs. The minerals are in the tribes. Up to last year the 63,000 acres was in exclusive Indian use under permits for substantial fees paid to the Bureau of Reclamation. Last year the Bureau of Reclamation barred Indian use and turned the land over to the Midvale Irrigation District for a nominal fee, if any. The Bureau policy

is to return to the former owners land not needed for reclamation purposes. The 63,000 acres is not so needed or used. The Bureau has refused to return the land to the tribes although the tribes now own the minerals and stand ready to pay for the surface. We urge that the project not be reauthorized unless provision is made to insure that the Secretary resolves this conflict of interest by either returning land to Indian use or reselling it to the tribes.

SHOSHONE AND ARAPAHOE TRIBES,
WALLACE ST. CLAIR,
Chairman, Shoshone Business Council, Fort Washakie, Wyo.
F. ARNOLD HEADLEY,
Chairman, Arapahoe Business Council, Fort Washakie, Wyo.

Senator HANSEN. I think the wire further indicates that we might ask the representatives of the Bureau of Reclamation about this. I think they can go into that.

I would like to file this for the record.

Senator ANDERSON. It will be made a part of the record.

(The mail confirmation of the telegram incorporated herein immediately preceding follows:)

SHOSHONE AND ARAPAHOE TRIBES,
Fort Washakie, Wyo., November 27, 1967.

HON. CLIFFORD P. HANSEN,
U.S. Senate, Washington, D.C.:

The Shoshone and Arapahoe Tribes oppose S. 670 to reauthorize the Riverton Extension Unit unless provision is made to require the Bureau of Reclamation to honor its long established policy and return or sell back to the Tribes 63,000 acres of former tribal grazing land not needed for reclamation purposes.

The Tribes sold 161,520 acres of tribal land to the United States for reclamation purposes under the Act of August 15, 1953, 67 STAT 592, for \$6.25 per acre. Some 63,000 acres of this land never has been used for reclamation purposes. The 63,000 acres are on the reservation and are contiguous to 2 million acres of tribal land now administered by the Bureau of Indian Affairs. The minerals are in the Tribes.

Up to last year the 63,000 acres was in exclusive Indian use under permits for substantial fees paid to the Bureau of Reclamation. Last year the Bureau of Reclamation barred Indian use and turned the land over to the Midvale Irrigation District for a nominal fee if any. The Bureau policy is to return to the former owners land not needed for reclamation purposes. The 63,000 acres is not so needed or used. The Bureau has refused to return the land to the Tribes although the Tribes now own the minerals and stand ready to pay for the surface.

We urge that the project not be reauthorized unless provision is made to insure that the Secretary resolves this conflict of interest by either returning the land to Indian use or reselling it to the Tribes.

WALLACE ST. CLAIR,
Chairman, Shoshone Business Council.
ARNOLD HEADLEY,
Chairman, Arapahoe Business Council.

Senator ANDERSON. I wanted to be sure that the chief executive of the State recognized the protest.

Are you worried about the financial security concerned?

Governor HATHAWAY. Based on the information I have, I would not be concerned about it. I have not received that protest myself relative to the legislation. There may be one in my office.

Senator ANDERSON. Senator Jordan?

Senator JORDAN. Governor, the lands under the third division have been irrigated before. This is not a new project. Is this true?

Governor HATHAWAY. That is correct.

Senator JORDAN. And I know that we have had this before us a number of times. I need to refresh my memory on it. What did we do in 1954? Do you recall?

Governor HATHAWAY. Well, I am not sure of the exact dates, but the Bureau of Reclamation purchased the lands on the third division.

Senator JORDAN. And that is the status that it is in now?

Governor HATHAWAY. It is owned by the Bureau at the present time; yes, sir.

Senator JORDAN. What you are seeking to do here is to have it resold to the farmers who would go on the third division and go forward with the sale as was intended to be done in the first place?

Governor HATHAWAY. Seeking authorization for sales with the preference rights to those farmers on the first and second divisions to purchase land on the third division; yes.

Senator JORDAN. What reason do we have to believe that these farmers, given the opportunity now to go on the third division, have a better chance to succeed than those who preceded them?

Governor HATHAWAY. I think, because of the demonstration of their success presently as farmers on the first and second divisions, they are good farmers. A number of them have leased lands from the Bureau of Reclamation on the third division. The productivity of these lands has increased greatly under their stewardship.

Senator JORDAN. I notice in the bill that you are still sticking to the 160-acre limitation. Can a farmer make a living on 160 acres in the Riverton Third Division?

Governor HATHAWAY. Well, I doubt that a farmer can make a living on 160 acres in many places in this day and age. I think that this limitation is unrealistic under present farming methods. The larger unit is needed in almost any area of my section of the country.

Senator JORDAN. If that limitation is going to prevail in this legislation, as I understand it will, how about that?

Governor HATHAWAY. As I understand it, they seek to classify the lands and to allow more acres of lower class lands and still fit within that limitation.

Senator JORDAN. But that limitation for larger acreage is for lands of lower productivity?

Governor HATHAWAY. Yes, I think this is a realistic approach.

Senator JORDAN. Thank you. That is all, Mr. Chairman.

Senator ANDERSON. Senator Moss?

Senator Moss. I am not sure I have any questions of the Governor. I appreciate his testimony.

Like other members of the committee, I can recall dealing with this Riverton matter. Your faith in the ability of the farmers in the first and second divisions to be able to make a living, and a proper one, in the third division is heartening. The investment having been made, it is to be hoped that we can make the project go and not just let it wither and die. So, I will go into a more technical discussion of it when the other witnesses come up.

Thank you, Governor.

Governor HATHAWAY. Thank you.

Senator ANDERSON. Do you have any comment on the law that was passed in 1964 which would, probably, be of help?

Governor HATHAWAY. I do not have any comments, sir, because that was before I was active in my own State government.

Senator ANDERSON. As I understand it, the bill was to negotiate with the owners of the land to buy back that land. Did they buy it back?

Governor HATHAWAY. It has been purchased by the Bureau of Reclamation.

Senator ANDERSON. Why do you want to turn it back to the people who abandoned it?

Governor HATHAWAY. These are not the same people who are on it.

Senator ANDERSON. What do the farmers who hold their land have now to be able to repurchase this acreage?

Governor HATHAWAY. My estimation is that if the third division had been included originally in this project, it would have all been one project, and the Government would never have been asked to repurchase the third division. The experience in the first and second divisions of the project has been very, very good. They have never missed a payment in the repayment charges. The farmers are relatively prosperous, and in my estimation they have the ability to rehabilitate about 8,000 acres of the third division. This is not all of the original project. It was originally about 25,000 acres. Obviously, some of it is nonproductive, but some of it could be irrigated and the remainder could be made productive grazing lands for livestock.

Senator ANDERSON. Do you want the 160-acre limitation?

Governor HATHAWAY. No, sir. I do not think that is realistic. I doubt that it is anywhere in the West anymore. Farmers and ranchers are having a tough time making a living. I do not think that they can make it on an average of 160 acres.

Senator ANDERSON. Senator Hansen?

Senator HANSEN. Thank you very much, Mr. Chairman.

I just want to emphasize the point that the Governor has just made, that the third division is only a part of the total project.

Secondly, I would like to repeat again what the Governor said, that when this project was brought into being we had not developed the concept of applying power revenues to the support of an irrigation project. What has been done in Wyoming has been done either by direct appropriations or at the expense—the total expense—of those farmers who were there. This bill would do several things.

First of all, as I understand it, it would bring the entire project under the Missouri River Basin power system, so that it could enjoy the support that comes from the development and the sale of power on these major river systems just as most of the projects are now enjoying that support.

Secondly, the third division must be considered in the context of the overall project, and I take it, from the Governor's statement, that we should not pin ourselves down to a particular narrow concept.

The Bureau of Reclamation has the ability—I am convinced of that and I am also convinced that the people out there have the ability and the desire to make the whole thing work.

These units were too small. And as is true everywhere, in farming and ranching there are differences, and it is also true that there are a lot of differences between farmers themselves. I have seen farmers that I am sure could have gone broke and others would make a go of it. We think that the thing that was lacking out there most was experience and the desire to be good farmers.

If we had had the assurance that each of the settlers had the experience and the knowledge, and also has the motivation to stay on the

job and to do all of the things necessary in order to successfully operate a farm, I think we would have had a different story before.

With the standing investment that the Federal Government has in these lands, I will just say that I think, with the interest of the State of Wyoming and with the knowledge and the interest of the people out there, that we can make a go of this whole project.

I think, also, later on, as the representatives of the Bureau become concerned, they will present some figures that relate to the benefit-cost ratio.

Let me say, in conclusion, that I appreciate very much our Governor appearing here today and making a very worthwhile contribution toward a better understanding on the part of this committee and the Government to a rather complicated problem.

Thank you, Mr. Chairman.

Senator ANDERSON. Senator Fannin?

Senator FANNIN. I did not have the opportunity to hear the Governor make his statement, but I will read it.

Thank you.

Senator ANDERSON. My concern is that it seems to me that we have had three or four proposals on this Riverton project in the past several years. Do you propose to take the money from other projects and dams to build the Riverton project?

Governor HATHAWAY. My understanding in this is that the only project that did not share in this revenues is this one. We do not think that is fair, since we contribute a great amount of water to the Missouri River Basin system and since we contribute 38 percent to the reclamation program in other ways.

Senator ANDERSON. You mean that 37.5 percent goes back to the State?

Governor HATHAWAY. 38 percent of it comes from minerals which is contributed by the State of Wyoming.

Senator ANDERSON. I have no further questions. Thank you very much.

Governor HATHAWAY. Thank you very much.

Senator ANDERSON. We will next hear from my colleague, Senator McGee.

You may proceed in your own way.

STATEMENT OF HON. GALE MCGEE, A U.S. SENATOR FROM THE STATE OF WYOMING

Senator MCGEE. Thank you, Mr. Chairman. I am going to be deliberately unorthodox this morning. The committee will sense that quickly, when I mention that the Wyoming delegation present here for this hearing this morning are all very close to us in Wyoming. In some instances there is a practice before committees that when you have a delegation from your home State you make a long speech in order to impress them with your knowledge of the problem that the committee is considering. To my mind, this is not necessary today. I have here a very eloquent statement that my research staff has prepared for me, but I am not going to take the time of the committee to present it in order that I be able to impress my constituents with what

I think about this project. They know. We have lived with these fellows, and they have lived with us for many years on this question. So, I am going to submit it for the record, if that is permissible.

Senator ANDERSON. It will be made a part of the record at this point. (The statement referred to follows:)

STATEMENT OF HON. GALE MCGEE, A U.S. SENATOR FROM WYOMING

Mr. Chairman and Members of the Committee, we have before us a bill which at first glance may seem a rather minor matter when one considers the wide range of problems with which the Senate Interior Committee is concerned. Yet the testimony and the rather astounding performance of the Riverton Project farmers should disabuse any notion that S. 670 is a minor matter.

S. 670 seeks to reauthorize the Riverton extension unit of the Missouri River Basin Project to include therein the entire Riverton Federal Reclamation Project and for other purposes.

You have already heard Governor Hathaway's impressive testimony, and before we finish you will have heard from my colleagues Senator Hansen and Congressman Harrison, as well as members of the Board of Commissioners of the Midvale Irrigation District, their attorney, the District Manager, the President of the Cottonwood Bench Association, Oscar K. Barnes, of the Agricultural Extension Service at The University of Wyoming, and Roy Peck, Executive director of the Wyoming Natural Resource Board, on the imperative for the bill introduced by Senator Hansen and myself.

Some comment must be made about those from Wyoming who have come so many miles to pursue what is so vital not only to themselves but to the economy, social structure, and well-being of Fremont County, the State of Wyoming, and, it is my conviction, Mr. Chairman, to the well-being of the country.

A special word must be said for the Commissioners and their District Manager. Oftentimes, Mr. Chairman, those who testify before Senate Committees are men of considerable expertise, but they are also men who are sometimes far removed from the actual conduct of the affairs about which they testify. But in the case before us today we have not just the stereotype of the manager, but men who are and have been operators of the farms which have done so well on the Riverton Project. In a very real way these men depend for their livelihood, for themselves and their families, upon their determination, considerable talent as agriculturists, and their grit to wrest a living from an environment which is by no means kind.

What you will discover in the testimony that follows is the striking capabilities of these productive people. For aside from the requirement of developing the necessary talents previously mentioned to stay afloat in modern agriculture is a sense of working with nature, not fighting her. So much of the fiction that is written about farming makes farming appear to be a simple and easy process. These men testifying before you today demonstrate the very opposite.

Even more worthy of mention is the acute sense of function and the resultant harmony that is so characteristic of their lives. These men know who they are. And certainly such a condition requires praise in a world where so much is written concerning those who appear to be lost and without direction. Indeed, it has often occurred to me that resolution to what some people call the problem of the hippy might very well be if those who consider themselves alienated, as well as hip, could be involved with the farmers on the Riverton Project. Not that the hard work that they would experience would cause a reconstruction of their point of view, but that they would witness in a most profound way men who are in tandem with their environment.

Mr. Fred Anglen, President of the Midvale Board of Commissioners, has been a Commissioner of the District for 5 years. He has been on the Project since 1937 and has successfully come to grips with the difficulties of irrigation farming. I think you will find his testimony a striking example of farm savvy.

Mr. Carl Welty lives on a farm near Pavillion, Wyo., and has farmed on the Project since 1938. He, too, demonstrates an impressive talent to deal successfully with what is essentially a hostile environment.

Mr. Edward L. Bogacz also farms near Pavillion. Since 1937 his intrepid pursuit of successful farming on the Project has been an outstanding example of a man's ability to make a difficult operation go.

Mr. Roy Reid, District Manager of the Midvale Irrigation District, is exemplification of an agricultural manager quite on a par with the best that we have in industrial management.

Mr. Don White, attorney for the District, exemplifies the complexities of modern agriculture. A project of the scope of the Riverton Project would be quite lost without the necessary legal talents of a man like Mr. White.

Mr. Gideon W. Davidson, whose father homesteaded in the area in 1906, has had a lifetime of successful experience on the Riverton Project.

Mr. Oscar K. Barnes, of the Agricultural Extension Service, manifests the fascinating complexities of modern agriculture, as well as the partnership that continues to expand between the University and the farming community.

What these men so amply demonstrate is the working out of a concept of American life which has been so vital to us since our beginnings many years ago. The Jeffersonian concept that a democratic society must be peopled with self-sustaining and self-determining citizens is a concept just as viable in 1967 as it was in 1767. Indeed, a valid case can be made that such a concept is even more important today. It is true that the acceptance of the role of small farmers in American life has been subject to criticism by some historians and others throughout our national life. However, there is no gainsaying the necessity for self-sustaining and self-determining citizens in a democracy.

Secretary of Agriculture Freeman has pointed out again and again that our concern with the problem of increasingly crowded urban areas cannot be dealt with without giving equal attention to the tragic drift away from the farm back toward the city. In my own case, I have long since spoken and promoted the principle of doing all that we can, and parenthetically, I don't think that we have done all that we can, to aid and increase the appeal of farm life.

It is my conviction that those who leave the farm do not do so because the city has some magic lure, but that they leave regretfully, knowing that the abandonment of the farm is also the abandonment of an idea—a worthwhile idea. S. 670 asks that the Federal Government once again do all that it can to shore up not only the canals and drainage system in the Midvale District, but to shore up a crucial value.

The Riverton Project, with the aid of passage of S. 670, will reaffirm our commitment to small farmers as the vital agent of a self-sustaining, self-determining citizenry.

These successful Riverton Project farmers are living testimony to the worth of the Jeffersonian principle, as well as the new breed of farmer so necessary to our national life. No longer can the American farmer view his task as a simple sowing of seed and awaiting nature's bounty. These men have put into practice what good farmers in America have always known. That is, we cannot torture our land with a single crop, but instead we must diversify the crops which feed our people. Such diversification takes immense skill. The farmer today is a student of surprising proportion. Not only is he a seed expert, but a soil expert, water expert, financial expert and a marketing expert. This is not to mention the knowledge demands made upon the farmer by complicated machinery, power sources, and a capricious climate.

S. 670 recognizes the complexities of modern farming and especially the need for diversification, which is why, for example, the farmers on the Riverton Project are as concerned with fish and wildlife development as they are with purely agricultural matters.

The resources of the Midvale Irrigation District are many. The District includes 45,000 acres of good, irrigable lands which have produced \$58,900,000 in crop value.

There are three hundred experienced farm operators of demonstrated managerial ability and resources on the Project.

The District has established community and institutional services, including roads, schools, electric and telephone systems, and business and professional services.

The District faces the following needs:

A drainage construction program to protect farm lands from seepage.

A rehabilitation and betterment program for replacement of project system structures long past a normal life expectancy.

Additional irrigable lands to permit enlargement of small farms into economic family-size units.

The restoration of Third Division lands to the tax roles of local governmental units.

The solution to these needs is as varied as the needs themselves. It is the enactment of S. 679 providing for:

An amendatory repayment contract covering all lands of the Riverton Unit.

The construction of drains.

The rehabilitation of the irrigation system.

The sale of Third Division lands.

Land ownership limitation modified to 160 acres of Class 1 equivalent.

A new and modern irrigation system now existing for service to the 8,800 acres of good lands remaining on the Third Division.

Highlights of the problems of the Midvale District are as follows:

Many of the original concrete structures of the distribution system are of the *trapezoidal* type, and were constructed prior to the availability of alkali-resistant cements and other controls for the production of better concrete structures. Trapezoidal-type structures in this climate are especially subject to heaving and settling from frost action in wet materials. Gradual breakup of the structure results.

Proposed for repair and replacement are approximately 360 structures in canals and laterals, consisting of checks, drops and turnouts. About eighty per cent of these structures are on the laterals of the Wyoming Canal, Second Division. They are fast approaching a condition beyond repair. These structures were installed in the years 1924 to 1926 inclusive, and their deterioration can be traced largely to alkali in the soil. They should be repaired or replaced using alkali-resistant cement in the concrete.

The canals and main laterals are generally bedded in loamy sands, soft yellow sandstone, and shattered shales, all having high permeabilities. Lining of the canals and laterals will provide seepage protection, lower ground-water accretions from canal leakage, conserve water for future use, and permit larger terminal delivery volumes. It is proposed to line about 85 miles of the canal and lateral system which constitutes practically all the remaining unlined system traversing irrigable areas.

Areas where drains have been installed to complement canal and lateral lining have shown very good results, and the previous trend toward deterioration of land productivity has been reversed.

Detailed investigations and drain layouts needed to relieve and protect the lands have been made on twenty-two separate tracts, comprising a gross area of about 15,000 acres. Nine additional tracts comprising a gross area of 5,344 acres have partially completed plans. The gross area fully investigated represents about one-fifth of the Midvale Irrigation District. Detailed plans are developed for the construction of about 70 miles of closed drains and 4.5 miles of open drains to lower and control the water tables in the tracts investigated. The conversion of some open interceptor drains to pipe is planned. About 40 miles of existing open drains will be converted to closed drains.

Some rather interesting facts pertain to agriculture on the project.

Farmers on 42,457 acres of irrigated cropland in the Midvale Irrigation District produced crops valued at \$2,825,115 in 1966 bringing the cumulative crop value since the beginning of project operations in 1925 to \$58,883,281. Gross crop value of \$66.54 per irrigated acre in 1966 compares favorably to other reclamation projects in Region 6.

The Riverton Project is a vital segment of the Wind River Basin which comprises an area of 7,800 square miles, with a population of 27,600. It represents more than half the productive cropland in this arid basin and the livelihood of over 300 farm families.

The lands which have remained irrigable, having survived a rigorous testing period, are good lands and can be kept that way by the completion of a program of canal lining, drainage and structure replacement.

There is an ample supply of good quality water, and the irrigation works are constructed for a substantial portion of the Project.

Total expenditures to June 30, 1962, allocated to irrigation for the areas developed are about \$16,719,000 or \$292 per irrigable area. After completion of protective work for the areas developed, total expenditures would be approximately \$27,900,000 and \$488, respectively. These costs are by no means extreme when compared with new projects, those now under construction, or any project where planning is well advanced in the West generally, and in the Missouri River Basin particularly.

Without completion of canal lining, drains, and structure rehabilitation, the Riverton Project can be expected to deteriorate progressively and rapidly to the point of virtual abandonment.

The Class 2, 3, and 5 developed lands of the Riverton Project can be protected so as to keep the Project in full production by an expenditure of about \$11½ million. Nowhere in the western United States can project-type land can be reclaimed and protected.

Mr. Chairman, this bill introduced by Senator Hansen and myself is the same as S. 1746, which I introduced in the 89th Congress. Let me emphasize once again its purpose is to reauthorize the entire Riverton Unit as one entity placing the admittedly troublesome Third Division under the administration of the Midvale Irrigation District and providing for a single repayment contract.

The potential risks of reauthorization of this Project are outweighed by the advantages of operating the entire project as one unit. The alternative is, in effect, virtual abandonment of well-designed, properly constructed works on the Third Division at a loss of about \$18 million in Federal investment.

So far as I am concerned, and I know I speak for Wyoming in this, the bill here presented is of vast importance. It is my earnest hope that the hearings here today will result in your favorable action.

Senator McGEE. I want to thank the chairman of this committee in particular for going out of his way to make this hearing possible. I think it is that important, and the cooperation we have received from this committee on this is most appreciated by all of us.

I think that these men, who have come all the way from Wyoming, who have grown up with this, who have watched its good parts flower and its weak parts have troubles, will have something to say here that will contribute to the thinking of all of us. And in order to get down to the real nub of the situation, I shall forego my eloquent speech about each of the Wyoming delegation—that which they already know. They will read about themselves when you print the record.

I have left a copy of my prepared remarks with them and told them, anyway, so they know what we think.

Perhaps, more than some of the others, I have had to sweat this out for the 9 years that I have been here in the Senate. And like some other statements that other people have said about other crises, I did not create this one. We have tried to live with it.

And when we are talking about a crisis, we are talking about the third division. I am not talking about the Riverton project as a whole. I do not intend to rake over the old ashes or even open the closet doors to look at some of the embarrassing skeletons in it because some of them are not very pleasant ones to look at. They involve personalities on the third division. There were many emotions in that closet, there were lawyer fees, there were bitter political rivalries, all in the past, that lurk around the fringes, that have contributed to the build-up of this explosion that reached its ultimate in 1963 and 1964. What we propose to do in this bill, the bill which was introduced in the last session and which Senator Hansen and I have pushed in this session with our colleague in the House, Mr. Harrison, for the consideration of the Congress this year, is to salvage and keep going that which would serve the national interest, the State's interest, the equities of these individuals, and a productive Riverton project. All this hinges on the third division.

These gentlemen here are all of the guys that prove that you can farm a piece of land if you work at it and you are given just half a

chance. They provide more than the other half that it takes to make it work.

In the third division, after we separated all of it, well, I will not say that, but after some of the troublemakers were removed from the scene, we learned the hard way that mistakes were made in the selection of individuals who were selected to settle the third division. These people fully exploited the situation to their own advantage. There remains a meaningful segment of the third division, and it would be a tragedy to forfeit it to mismanagement or no management, and that is what is going to happen right now if we do not take some action. I refer to the 8,000 acres that the Governor discussed. We believe this makes it possible to strengthen the Riverton project without burdening it with those portions that were once in the third division and which are not of sufficient quality to justify further development at this time. In other words, this says that we are preserving the best, the cream of the third division to the advantage of the whole project. And we believe that we can risk the loss of the liability without any great loss to either the Federal Government or to the community in central Wyoming, and that is the reason for restructuring this authorization.

These fellows who are here now are in business, and they are in a going business. We will keep them living hand to mouth until we can get the Riverton thing going again on more than an annual reinsurance basis which we have had to do for some time because of the troubles of the third division. And out of consideration for them, out of consideration for what has been a productive Federal investment that has brought in, up until now, \$60 million—nearly that—in agricultural produce, we think that we can gain the most for our investment. We do not jeopardize, we do not risk the good faith of the policies of either the committee or the Department of the Interior or the Bureau of Reclamation in adding this limited section of the third division to the first and second divisions as a managing unit.

We have the advantage now of having eliminated those who do not know how to farm, those who should not have come north to farm in irrigable country, those who were simply looking for the luck of a draw in order to try something they had not tried before, to see if it would work.

As the chairman knows best of all, farming in the kind of land that we have in New Mexico and in Wyoming is quite a different matter than farming in other parts of the country. You face a different kind of thing. We believe that we have shaken this whole thing down to where we have an opportunity to preserve the best, to where we have the expertise and the accumulative experiences that will enable us to make this go.

I want to emphasize the presence of the Governor here, the united front of the delegation here, the total support of the Riverton and Fremont County areas which represent the best of the major consensus that we have worked out. We have eliminated the malcontents and marginal land involved in the project and we have here something that we can support and that is the reason for asking the consideration of this committee again for this project.

I know that when you mention Riverton it is like waving a red flag in some ways. But that does violence to those who have made the major portion of the project a real and proud chapter in irrigation history.

And we think we can salvage from the troublesome part of the third division that which is the best and strengthen that which is already working.

And, so, it is on that basis, that I would make this rather short and impromptu statement this morning, Mr. Chairman, and make as a part of the record that portion which is much better phrased and much more articulate in its substance so far as the project is concerned.

We have coming up here men who know the technical details of the background, in depth, of this, and rather than betray my ignorance in technology, I would hope that they would cover it up for me in what they will have to say.

Senator ANDERSON. In the committee's report of February 26, 1964, Senator Simpson stated:

The negotiations on a long-term contract broke down in May of 1961 when the Board of Commissioners of the Third Division Irrigation District asserted that the lands had no repayment ability and that further negotiations would be futile. Subsequently, the Board's position has been that the settlers are unable to pay even operation and maintenance cost and that the Third Division should be abandoned.

How do you reconcile that?

Senator McGEE. I reconcile that by suggesting that that was a statement made at a time when we did not know all of the things that we know now. Some though they did. I did not happen to agree with that statement. We tried every way that we knew how to prevent going in the direction they finally went in 1963 and 1964, buying back the third division, because there was too much good land there, too much good farming land there, to forfeit it all on those terms.

We did not recommend at anytime—and by “we” I mean those for whom I speak or seek to represent in this situation. We did not recommend that as the solution, but this was the one that was ultimately agreed upon and anybody would have been a fool not to sell his land back under those terms. I did not happen to condone or to approve that approach. That was not the way to get at this question. So, I make no apologies for it, and I make no defense of it. That is water over the dam.

I think that we have our best opportunity here to reestablish the capital structure and the return from it, which has proved to be a more meaningful part, rather than a small controversy on the total project.

Senator ANDERSON. My concern is with this question as it relates to some others we have had. In 1930 we had the Dust Bowl situation. I was a part of the administration at that time. There were some 400,000 acres. We placed all of those in the Dust Bowl area, and some of it was very fine land. Some people did not know how to operate the land, and those who were in charge of the projects came back and said that they knew how to do it now. And this was done over and over again, and it was suggested that we get the Governors from other irrigation districts to help on the question. What was wrong with that?

Nothing but an expense all the way through. Why should not we abandon it?

Senator McGEE. I tried for not abandoning it. There is a salvagable portion there that does produce and makes a base for good farming. We are desperately in need of productive small farms, with the opportunity which enriches the Riverton project itself, and the moment

we abandon this part in which there has been considerable investment, all we are doing is moving backward, not ahead.

I agree that we ought to drop out the marginal lands where there are problems, where they have salt problems, and that sort of thing, but we think that we have the good part and the productive part that is salvagable. As the Senator knows much better than I, since he was Secretary of Agriculture before he came into this body, an irrigation project in the highlands of the West is a kind of 15-, 20-, 30-year shakedown cruise in which you have to establish the roots and the basis of the project. It takes a long time to finally get on a firm basis.

We have had this experience in the Governor's section of the State, when that project was brought in, in eastern Wyoming. We had the same experience with a project that is up in the Bighorn Basin, Powell and Cody. But these things are growing and prosperous, and they are not only contributing to the State and the county but to the Federal income as well. This has been the experience in Riverton, in the first and second divisions where they are producing and making a return. We think that much of the third division now is suitable for inclusion into the Riverton project and that we should take advantage of the investments that have been made. We have learned much from our experience with the third division at some considerable cost. We should now profit from this experience. I think it would be a case of irresponsibility to write it off now and to abandon it. As a result of the lessons we have learned, we are beginning to reach the plus side of the ledger. That is why I think that we would lose more to quit now than to go on with what we know we have.

Senator ANDERSON. The report shows that in 1944, as a result of investigations begun in 1935, that it was recommended that it be abandoned. I wonder what new information you have to give support to this proposal?

Senator MCGEE. For the proposal or to abandon or to revive it? Because the proposal to abandon took in the whole unit, the third division, and suggested that because of the several thousands of acres that were deemed hopeless to administer as the third division, the entire project be abandoned.

Our proposal would attach the productive part of the third division which is already growing.

Senator ANDERSON. That consists of how many acres?

Senator MCGEE. That is 8,800 acres, approximately.

The experts will have to verify that figure. It approximates that. We believe those are worth saving.

Senator ANDERSON. Can you show us how this idea developed?

Senator MCGEE. They will show that. It will be appended to the project already existing. We do not think that this will detract from those. We think it will strengthen the two that are in existence now. They have the details on that, the units that it will be able to support, and what can be done with even some of the marginal lands beyond in terms of grazing and that sort of thing that strengthens the existing units, comprised in the first and second divisions. So that, in several ways it appears as something that we are going to drag along with these other two divisions, but it is not. Actually, it is enhancing the entire project, both administratively as well as productively.

Senator ANDERSON. I think I am correct in saying that the project was one that brought farmers out there who did not know how to irrigate.

Senator MCGEE. Yes, from other sections of the country. We had settlers on the third division who were not familiar with the west who knew nothing about irrigation in Wyoming, and this proved to be one of the major problems.

Senator ANDERSON. I have no further questions.

Senator JORDAN?

Senator JORDAN. I have been privileged to hear qualifications of the settlers on the Riverton project, and with this I take no issue. I do know that some are exceptional farmers. I know what is required to make a living on these reclamation projects, especially under limitations. I am concerned with section 4 of the bill which says:

The limitation of lands held in beneficial ownership within the unit by any one owner, which are eligible to receive project water from, through, or by means of project works, shall be 160 acres of class 1 land or the equivalent thereof in other land classes as determined by the Secretary.

Now, you are telling us that these same people who have been there in the first and second divisions of the Riverton project are now to move in and make a go of this third division. Under what land limitation would they be going into this?

Are we to say that they are entitled to another 160 acres over what they presently own?

Senator MCGEE. I will have to ask the people here from the delegation.

There is a formula that has been worked out that would allow for this development. For example, the formula that would make a different allocation in regard to class 2 or class 5 lands.

Senator JORDAN. I understand that. But are these men who are presently getting project water from the Riverton project entitled to an additional amount?

Senator MCGEE. Do you mean would they have another 160 acres of the third division?

Mr. DOMINY. May I comment?

Senator JORDAN. Yes.

Mr. DOMINY. This is my attorney.

Senator MCGEE. No, this is my attorney, if I may introduce him.

Mr. DOMINY. This bill would allow the acreage limitation to be modified to be 160-acre class 1 equivalent that would mean that the class 2 productivity on the Riverton project is only 67 percent of the class 1. So, you would allow that much additional acreage of class 2.

Senator MCGEE. Can a man with 160 acres in the second division get 160 acres or equivalent in the third division? That is the question.

Mr. DOMINY. I was coming to that. The class 3 has 50 percent and the class 4 only 25 percent equivalent to class 1.

The whole project has been reclassified, both Midvale, which is the only first and second divisions of the Riverton project, and the third division land that the Senator referred to here, the 8,000-plus. So, we have a firm figure as to the land classification based on that.

Senator ANDERSON. Will you answer the question?

Mr. DOMINY. The answer is "No." He cannot have 160 acres on the Midvale and 160 acres on the third division.

Senator JORDAN. These men who have been successful are the ones who are going to reclaim this additional land in the third division?

Mr. DOMINY. This is exactly true. This is an individual ownership. A man and a wife could have 320 acres of class 1 equivalent. The Midvale farms were opened up at very small acreages. This is back in the days' gentlemen, when we thought that 80 acres was a huge farm. We did not even give them 160 acres when Midvale was first opened up to homesteading back in the 1930's. Those units were 60 and 80 acres in size. So, even the Midvale farmers are a long way, for the most part, from having 160 acres of class 1 equivalent. They will be able to add to what are very inadequate farms in Midvale by adding the third division land which is immediately adjacent, which is served by the same general canal system as the others.

Senator MCGEE. It will not do violence to the overall limitations?

Mr. DOMINY. No.

Senator JORDAN. You have answered the question. I wanted to know if there was enough flexibility in the ownership of these settlers who have been there, to give them room to maneuver in this new area.

Mr. DOMINY. Yes, sir.

Senator MCGEE. May I ask a question?

What would this do now in terms of adding some of the more marginal lands for grazing purposes?

Mr. DOMINY. This is the other thing that is embodied in this. We recognize that on the Riverton project there are 5,000-foot of elevation with an average growing season of 120 days. That is the average in the growing season. And at 5,000-foot elevation, it is not too consistent. Sometimes, they get early freezes. So, they have to go into the livestock industry as their basic feed base for livestock. So that non-irrigable land adjacent to these farms is highly desirable.

The nonproductive land under irrigation would be incorporated into these units for grazing purposes, so that they can get the livestock off of the irrigated land during the summer months and have them on the nonirrigated land in the winter months on a feed basis.

Senator ANDERSON. This states 160 acres. Do you know what that is now?

Mr. DOMINY. This is a recommendation that the Department has been supporting for a long while as a general piece of legislation; that is, that we go to the 160 class 1 equivalent. There is such a variety of productivity on land under irrigation. Anything that is not irrigable would not count as a unit.

Senator JORDAN. This is land that has formerly been in the project and has been abandoned, because it was not feasible to irrigate it?

Mr. DOMINY. Yes, part of the land that has gone out. It is not the best pasture land in the world, but it is a good place to have the cattle in the summer months. You have the feed base on your irrigated land. You will have a unit that will work.

Senator JORDAN. No acreage limitation would be applied against those lands that would be excluded?

Mr. DOMINY. The water would not be applied to them. This would be a very firm requirement, because we know that water cannot be applied to some of those lands without causing trouble to the irrigated lands.

Senator MCGEE. In addition to the rain.

Senator JORDAN. I think he has answered the question. Thank you.

Senator ANDERSON. Are you going to classify all of it as nonirrigable land?

Mr. DOMINY. No, sir; I will give you the exact figure when I testify. There is something over 8,000 acres we consider irrigable land on a sustained basis.

Senator ANDERSON. Why did they not irrigate them?

Mr. DOMINY. They did irrigate them. They were part of the land that was being irrigated.

Senator ANDERSON. Was it all abandoned?

Mr. DOMINY. Not all of the land should have been abandoned.

Senator ANDERSON. I know. Are the 8,000 acres in all of this project irrigated?

Mr. DOMINY. We have been continuing irrigation of the best lands of the third division under lease arrangements with the Midvale farmers having the first opportunity to lease them, as Senator McGee and Senator Hansen have pointed out. So that there has been a demonstration that under proper farm management these lands are irrigable.

Senator ANDERSON. Can you show one record of profit by these farmers in that area?

Mr. DOMINY. I am sure that they could not have continued that lease and not actually end up with a profit at the end of the year.

Senator MCGEE. If I may interject, we can also show the protests of some of those in the third division at the time that this was under controversy where they felt that they were making a go of it and they wanted a chance to stay, but the more vocal or influential or whatever it was of them prevailed which took them all in the same direction. There were salvageable areas in some sections of the project and farmers in these areas told a quite different story from that which the others were telling. And this is the part that we believe is salvageable.

Senator ANDERSON. As I recall, there was no protest at any time as to the purchase.

Senator MCGEE. Perhaps not on the final purchase that got to be so liberal that it was too good a deal for some of these people to refuse. Therefore, they all got in line in order to collect the price in the sale. I do not think that the extra liberal terms were a part of the Bureau's responsibility, but the Commissioner himself will have to speak to that. I make no claim for that. I make no plea for it. We are trying to start where we are now.

Senator ANDERSON. Senator Hansen?

Senator HANSEN. If I may, I would like to ask unanimous consent to have introduced into the record at this point a letter I have received from Keith Blankenship, dated November 21, 1967. And I would like to read it.

Senator MCGEE. Is the committee through with me?

Senator HANSEN. I wanted to introduce this letter to support and corroborate the statements you have made.

Senator ANDERSON. Without objection, it will be made part of the record.

Senator HANSEN. I will read it:

PAVILLION, WYO., November 21, 1967.

Senator CLIFFORD HANSEN,
Congress of the United States,
U.S. Senate.

HONORABLE SENATOR HANSEN: I understand the Midvale Commissioners are due to meet in Washington the last of this month for the purpose of acquiring Third Division under their management. I am writing this letter to remind you I would like to enlarge my Third Division farm to an economical unit by annexing the adjoining units I am now leasing.

Thank you.

Sincerely,

KEITH BLANKENSHIP.

He has been making a profit. He is a very successful farmer. He is using some lands that I would ask Mr. Dominy to comment on when he testifies, but I do not think he has the best farmland out there. And yet because he is interested, because he is a good farmer, because he is willing to work, he has been successful. I think it bears out what the Senator stated a while ago when he said that this thing finally got to be such that despite the fact that there were farmers there at the time when the buy-out was first negotiated who opposed it, but when they were faced with the added cost of water and the probability that some lands might fall into disuse as the result, the thing built up so that a momentum developed, and it was hard to resist.

I appreciate what it is to come back and ask that we turn around, but I think that when we hear from these people who are here today, we will begin to realize that there is much to this.

I only have this to say in addition: I want to pay my respects to you, Senator McGee, for having arranged with the chairman to have this hearing here today and to compliment you upon your interest in the project, and, certainly, without your expertise and the respect that you are accorded here we would not be as far along as we are.

Senator MCGEE. Let me conclude, Mr. Chairman, by saying this: I think that I am an expert on some aspects of this question: but I am not a farmer. I am a believer but not a practitioner. I do know something about hunting pheasant. I know the habits of pheasant. A pheasant cannot live like a crow. A pheasant has to have some cover and some food. I have hunted pheasants successfully on portions of the third division, and to me that says more than the facetious comment might otherwise indicate. It means that they had cover crops that were productive and that would support a basic pheasant crop. And one who hunts birds knows that you do not find birds out in the desert. I think this is the only last note that I would leave on this, and I will get out of the committee's way with my thanks for your patience.

Senator ANDERSON. We have some problems for a long time. Thank you.

Senator MCGEE. Thank you very much.

Senator ANDERSON. We will next hear from Mr. Harrison.

STATEMENT OF HON. WILLIAM HENRY HARRISON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WYOMING

Mr. HARRISON. Mr. Chairman and members of the committee, I appreciate very much the opportunity of appearing before you in support of S. 670 which was introduced by Senators McGee and Hansen.

S. 670, if enacted, will reauthorize the Riverton Extension Unit of the Missouri River Basin project and include therein the entire Riverton Federal reclamation project and is similar to my bill, H.R. 3062. I feel that this legislation is not only good but that it will be beneficial to the area involved and to reclamation in general.

There will be many witnesses, led by Wyoming's Governor, the Honorable Stanley Hathaway, appearing before your committee in support of this legislation. These witnesses will go into detail on the merits of the legislation and the need for its enactment.

I have been familiar with the situation on the Midvale and Riverton Third Division projects for some time and I recently had the privilege of again viewing the lands in question, including the present condition of the headgates, canals, and other parts of the irrigation system, in the company of Senator Hansen.

Following the passage of legislation which authorized the Bureau of Reclamation to buy back from the settlers on the third division the land which they owned, the Bureau of Reclamation has leased these lands and has done a fine job in trying to recover as much income as possible from them. It is my feeling, however, that these lands should be returned to private ownership. A great portion of the lands in the third division can be successfully irrigated, and those lands which cannot be so irrigated can be utilized for grazing purposes.

The combining of the Midvale and the third division projects will result in a workable and successful reclamation project. The irrigation structures on the third division are in excellent shape while those on the Midvale project need replacing in many instances and repair in others. I believe that financial assistance should be given to the restoration of the irrigation distribution system on the Midvale project and that the old Riverton Third Division should be combined with Midvale. If this is done through the combination of irrigated farming and livestock grazing, we will have an economically sound and feasible project.

I do hope that your committee will see fit to give S. 670 your approval.

You raised the question, Mr. Chairman, as to the possibility and the probability of the settlers on these lands and those settlers who had operated the Midvale project over the years being successful in the operation of those lands which would be combined with Midvale from the old third division. I believe the record speaks for these individuals.

The Midvale project has been in existence for many years. It dates back to the early 1920's, and through those years that project has had fine leadership. They have not had any lands which have gone bad.

The farms in the project have made money, which, I think, is the same as have other farms throughout the country. They have been successful in their operations, and I think that it is unthinkable that the lands in the third division, which are now in the hands of the Bureau of Reclamation and are being leased, should not be included in the Midvale project and supervised and handled by those very competent individuals who have handled the Midvale project over the years. If this is done, it will not only help the economy of that area and the individuals concerned, but I think it will help the economy of our country, and it will certainly place reclamation in a much better

light than it has been in the past in that particular area. There is a great deal of difference between those who operate on the Midvale project and those who started out on the Riverton project. I do know that the Riverton third project was started in the early 1940's by Senator O'Mahoney and then Congressman Burr, who became U.S. Senator. It was started for the purpose of taking care of many of our veterans who came back from overseas in World War II, and when these veterans first went on the project, many of them made a great deal of money, because they were able to grow alfalfa seed and other products. However, these veterans, coming from different parts of the country, did not have any experience at all with irrigation or the proper handling of those lands. It is my feeling that those lands that did go back over the years did go bad because of the combination of poor management, inexperience, and improper drainage. We have learned lessons from past experience; that is, in the third division.

I think that through these lessons and experience, that situation will not creep in again. I think, in order to make this land productive—to go back into private ownership where taxes will be paid—that legislation should be passed; such as S. 670, to authorize the inclusion within the Midvale District the lands which are now held by the Bureau of Reclamation in the third division.

Senator ANDERSON. Thank you very much.

Senator JORDAN?

Senator JORDAN. I have no questions. That is a very good statement, and I appreciate it.

Senator ANDERSON. Senator Hansen?

Senator HANSEN. I would like to thank my colleague for his excellent statement here today and also for his joining with me in arranging the tour early this fall when we were able to be on the project, including the third division, and to have the representatives from the Bureau of Reclamation and the Bureau of the Budget with us. I am confident, because of your interest and your participation in this, that more people have a clearer understanding of the problems and of the potential of this area than otherwise would have been the case. I know you have been taken away from your duties that are very pressing in the House this morning in order to be here, and I apologize for my verbosity which has kept you away from some other work.

Mr. HARRISON. You are very kind. I assure you that it has been a pleasure to be here, because this is an important piece of legislation, and I am very hopeful that your committee will find a way to approve it, so that the situation now existing can be corrected.

Senator ANDERSON. Thank you very much.

We will next hear from Mr. Dominy, Commissioner of the Bureau of Reclamation.

Mr. DOMINY. Mr. Chairman, and members of the subcommittee, with your permission, I will bring Mr. Langley and Mr. Kober to the table with me and we will put up a map so we will have that before us.

I understand that we have a problem, in that someone else wants to catch a plane with Governor Hathaway. Perhaps, you would favor him with his testimony over my testimony under the circumstances.

Senator ANDERSON. That will be all right.

STATEMENT OF ROY PECK, EXECUTIVE DIRECTOR, WYOMING
NATURAL RESOURCE BOARD, CHEYENNE, WYO.

Mr. PECK. Thank you, Mr. Chairman and members of the subcommittee. I came up, as you will recall, with Governor Hathway, and we had a two-part statement. I appreciate the opportunity to bring my words of wisdom here, and I hope that you will consider them.

My name is Roy Peck, and I am the executive director of the Wyoming Natural Resource Board. The resource board is charged with three responsibilities in Wyoming State government: industrial development, water resource development, and planning.

Our board appreciates the invitations received from our friends on the Riverton project and Senator Hansen to state some views on the matter before us today, S. 670, the reauthorization bill of the Riverton project, which would place this project under the Missouri River Basin power project, provide for rehabilitation of the first and third divisions of the Riverton Project now operating as the Midvale Irrigation District, and provide for the return of the lands of the third division of the Riverton project to private ownership.

The resource board has had a long and intimate acquaintanceship with the Riverton project. We are in complete sympathy, and support the objectives of S. 670.

At the board's regular meeting on January 20, 1967, it voted its unanimous support to the Midvale Irrigation District in its efforts embodied in S. 670, and authorized that the Board send a representative to Washington to testify if the Midvale group requested one. I am this representative. Our board is comprised of nine members, a bipartisan board from all parts of Wyoming.

The Wyoming Natural Resource Board further offered, and indeed did, assist in arrangements for and conduct a tour of the Riverton project, which Senator Hansen mentioned, last September.

We joined with our Wyoming congressional delegation in support of this tour of the Riverton project. A member of our water division staff and a member of our board participated in the tour of the project September 21, 1967. Among those present for the tour was Mr. Tom Barry of the Budget Bureau staff. Senator Hansen was also present on the tour. We wanted this tour very badly because we wished that as many as possible might see the progress being made on the Riverton project, and at the same time appreciate its problems.

We are not ashamed of this project, or its farmers. We are proud of them and their agricultural achievements.

The Wyoming Natural Resource Board is in the business of providing financial assistance for small water projects in Wyoming. We have a qualified staff, including a geologist and a registered professional engineer, who conduct detailed feasibility studies before recommending small water project loans.

Since this loan program was instituted more than 10 years ago, the Wyoming Natural Resource Board and the Wyoming Farm Loan Board have extended loans of nearly \$2 million for water development projects. I will underline this. This is Wyoming money. This is our own money. The revolving fund is solvent, and from these funds the resource board will soon hire an additional water resource engineer.

The solvency of the fund indicates well the stability of agriculture in Wyoming.

So far in 1967, the resource board has had 42 requests for investigations of small water projects. Wyoming agriculture is actively pursuing its own betterment.

We have one of our best small projects on the Midvale Irrigation District, the Benesch-Brough sprinkler irrigation system which is irrigating 380 acres of new lands. Thus we have proven our confidence in the Riverton project not only by our resolutions, but by putting our money where our mouth is.

Senator ANDERSON. Is this land irrigated?

Mr. PECK. Yes, sir. This is land that lies above the ditch, in other words, above the flat irrigation level on the upper side of the ditch, and we have loaned money to put this land under cultivation.

Senator ANDERSON. Is this in conflict with the land in the Riverton area?

Mr. PECK. It is on the Riverton project. As a matter of fact, it is right in the center of it. It is in the second division of the Riverton project, which is a part of the Midvale project.

Senator ANDERSON. What is the product?

Mr. PECK. The product is small grains.

Senator ANDERSON. What is the acreage?

Mr. PECK. It is 320 acres. The main products of the Riverton project, which will be mentioned later, are sugar beets, beans, grain, alfalfa, dairying, livestock operations—a very diversified agricultural situation.

Senator ANDERSON. Thank you. You may proceed.

Mr. PECK. Perhaps I might be permitted some personal observations on irrigation in the Wind River Valley.

I am a native of Riverton, and I have lived all my life near Riverton. The considerable black eye that comes from Riverton, my hometown, disturbs me very greatly. My present business is copublisher of the Riverton Daily Ranger, a newspaper which my brother Bob and I have built up from a small weekly to a daily. I am now on leave of absence from the Ranger to permit me to assist in Wyoming's programs of economic development.

In Riverton, I live in the farmhouse in which I was raised. My home was built in 1926, and at that time it was "in the country," west of Riverton. Now the city limits of the town surround our farm on two sides, and much of the strong growth of Riverton is attributable to agriculture.

My family business is the dairy business. We started the Morning Star Dairy with one cow in 1931, at the depths of the depression, and my brother Bob and I delivered our first milk to customers in town using the little red wagon which we had received for Christmas.

There were some dark days in those depression years. We milked our 60 cows by hand until the great change took place in 1938 when we installed a Surge electric milker. I remember what a great thing that was, I thought, when that came about. I had the longest continuous tardy record in the history of Riverton High School, because after arising every morning at 4:30 a.m. to milk the cows, I delivered the milk on the route with my little sister hopping bottles.

We pumped the vital water for the cows by hand until we finally received electricity in 1939. In 40-degree-below weather, my brother and I would alternate 100 pumps each on the Dempster handle while the other stood inside the window of the kitchen keeping warm. It took an hour of pumping to water the herd. My father wired and plumbed our home himself. I was a senior in high school before I knew the comforts of inside plumbing.

I have picked potato bugs, and sprayed Paris green, and I remember storing the bumper potato crop in the basement of our house, because the potato cellar was full. We carried them downstairs in bushel baskets. And we shoveled up the rotten stinking, sprouting mess in the spring, and took them out and tried to feed them to the cows, because we had never been able to sell them. I do not know what kind of milk that produced.

I have thinned beets on my knees, hoed weeds until my back was breaking, topped beets, and shoveled beets into the truck, and seen the old Chevy mired down in the field in a foot of mud with a broken axle.

My family, six children, and my mother and father, grew up unified and God fearing in the finest tradition of rural America. I only regret that my father is not alive today to see the dairy operation which he started with one cow—now the largest fluid milk processing plant in Wyoming. It is in a new half million dollar plant, supplying a refrigerated tank truck a day of pure, grade A milk to the Denver milk market, and providing a fine livelihood to many dairy producers, most of them living on the Midvale irrigation project.

Perhaps my personal reference illustrates two things: First, the agriculture of the Riverton project has grown, and progressed, and changed. The Morning Star Dairy is a corporation, our producers own our modern plant, and we lease it from them. They share in our profits which they help earn through the sweat of their brows. Second, agriculture like every part of the American economy is touched by technological change. The agricultural practices of my father's day no longer apply, but the hard work of the farmers of old, the homesteaders, is paying off because of technology—agribusiness, if you will.

This is really what S. 670 is all about. Technological change.

These men of Midvale have proved they can farm at a profit. But like a factory built in 1926, more than 40 years ago, Midvale needs refurbishing. And like industry which must turn to credit to modernize, Midvale asks for a loan to modernize, to change, the opportunity to apply the new technological skills of agriculture, so long denied them.

All of the problems of America are not centered in the Riverton project, although you would have thought so a few years back. The major problems of this Nation belong to the cities with air and water pollution, urban decay, and civil strife tearing at the very heart of our Nation.

The problem is clear, and the trends are apparent. We must call a halt to the accelerating decline in rural population. We need to consider ways and means to achieve a better urban-rural balance of population.

We have an opportunity before us in S. 670 to do our part in solving this problem. These dollars, well spent to assist the Midvale project, are

a much cheaper investment for the United States than the expensive dollars needed to solve the problems in our cities.

Perhaps one of the most encouraging aspects of the Riverton Project is the willingness—I could name you many, and I emphasize the “willingness”—of many young people to return to the farm. I can name you many, including the Weber brothers, who have raised some of the finest sugar beets in the country on my own home place.

Wyoming and Congress, needs to consider seriously the problem of agriculture. Much of the great growth in our State is masked by the decline of agriculture, not the least of which has been the depopulation of the third division.

Much of the future of Wyoming is tied to the ability of our farmers to achieve technological change. Modern agricultural technology, as embodied in the rehabilitation features of S. 670, can be available to the farmers of the Riverton project.

Since 1960, Wyoming has lost 12,500 jobs—many of them in agriculture. Since 1960 there has been an outmigration of 20,000 people from Wyoming, too large a percentage of them in agriculture.

I believe that the Midvale farmers present here today, the technical experts at hand and the technical testimony to be presented, will prove that the Congress will be well advised to pass S. 670.

I would like to deviate for a half second to emphasize a couple of things: That these more than 8,800 acres that are being irrigated now on the third division are being successfully irrigated under lease. There has been no lapse in that since the famous buy-out. The Reclamation Bureau has leased to certain farmers in the Midvale area, and they have made a profit, and this will be shown later on. The leasing fees have been adequate to amortize the purchase of it. They have been paying for their water and providing money for the operating and maintenance charges. Therefore, I think that the sale of these lands is practical, because it would permit us rather than leasing, to plan on an integrated operation. It is very difficult to know if you will have a lease, only year by year.

Completion of construction and rehabilitation of structures, improved drainage, reauthorization of the entire project as a unit of the Missouri River Basin project, return of the third division to private ownership, addition of fish and wildlife conservation benefits—this is only a small portion of the contemplated project and requires no money. We are only asking that the land be sold back to private business so that the tax structure will be returned, as against now being a loss to the community. These are the ingredients available in S. 670, which will make the Riverton project a strong part of the agricultural economic base of Wyoming.

Add the final, and most important ingredient: capable farmers willing to do the job. I am willing to place my bet on these “Marvelous Men of Midvale,” and I hope you will be, too.

Thank you.

Senator ANDERSON. Senator Jordan.

Senator JORDAN. No questions. Your statement has added substantially to the fund of information we have gathered. I appreciate it.

Senator ANDERSON. Senator Hansen.

Senator HANSEN. Mr. Chairman, I would just like to compliment my longtime friend, Roy Peck. He has had an interesting and varied ca-

reer. He touched on only part of it here this morning. I can say that he performed valuable service to this country during World War II. His wife and he were both involved in serving Uncle Sam at that time.

Later, it was my great privilege to be associated with him when he was a member of the university board of trustees. Prior to that, he was an assistant athletic director at the University of Wyoming.

And I would like, if I may, to introduce at this time into the record this publication entitled, "Those Remarkable Men of Midvale."

The fact is that his brother, Bob, who is the copublisher of the Riverton Ranger, put the text together for this publication. The Riverton Ranger submitted the pictures contained herein, and the University of Wyoming, with the able support and guidance of Oscar Barnes, published this magazine. I am certain that it will be very enlightening to every member of this committee to take the time to review it. I know that you have a very tight schedule. Let me say that I think you made a very important contribution, and I am indeed grateful to you, and I appreciate your being here.

I thank you.

Mr. PECK. Thank you, Senator Hansen.

Senator ANDERSON. It will be made a part of the record at this point.

(The document referred to follows:)

INTRODUCTION

The Riverton project has been much-maligned. Men who wanted to leave the project have commanded the newspaper headlines; have gained the ear of Congress; have been granted relief in response to their portrayal of failure; have now left to seek their fortunes elsewhere.

But there are those who stayed, those who conquered the same obstacles that for others were insurmountable. The Remarkable Men of Midvale are typical of those who stayed. A few chapters from their heroic story are told in the following pages.

These homesteaders had few breaks. They had little of the assistance given those who came later to Third Division and retreated. These are men who encountered seepage, but stayed to overcome it in some cases, or moved to other farms if it has not yet been overcome.

Gideon Davison puts the case well for completion of the Riverton project as asked by Midvale Irrigation District when he said:

"The secret of a project farm is the guy you put on it."

These are the guys who stayed. These are the men who are putting up nearly \$80,000 a year in lease money and water charges to keep in production the same lands others gave up. Thirty-three farmers, nearly all from Midvale's ranks, snapped up 8,810 irrigable acres, in Third Division, to show good faith in their willingness to assume administration, operation and maintenance of a unified Riverton project. And some wanted to prove that these lands can produce, disprove the contention that they cannot.

Midvale people wanted, also, to demonstrate good faith on their part in response to the possibility that these Third Division lands might be sold to Midvale farmers, to return them to private ownership, to answer the variety of needs outlined in the following stories. Congress should hear the case for These Remarkable Men of Midvale.

FRED ANGLIN

ONE OF THOSE REMARKABLE MEN

Drouth and depression gripped southern Wyoming in 1937. Dryland farmers around Chugwater faced tough times. Successive crop failures forced men to move, those who could afford to.

Fred Anglen had harvested a crop in Platte County despite the drouth. His crop was coyotes; he killed 125 of them in six weeks during his best season.

Anglen and his wife heard about the irrigated homesteads on the Riverton project. The Anglens and Joe Hancock drove to Riverton. Anglen's coyote money bought gas for the trip.

They drove out through Paradise Valley five miles north of Riverton, admiring the Williams farm which was the show place of the valley. This farm is now crippled by seepage, with trees dead, the house empty, the place abandoned, but could be salvaged.

Anglen bought the Henry Ness place, homesteaded in 1906, paying \$200 down, agreeing to pay \$200 a year, \$300 the last year, until the full purchase price of \$1700 was paid.

Builds Log House

The Forest Service sold Anglen trees for a log house. He parted with \$5.60 for stumpage, paid another \$50 of his coyote money to have logs sawed on three sides and hauled off the mountain.

The Anglens started laying up logs for their house in August, 1937. They finished only two of four rooms during the first three years.

The two unfinished rooms were used as a granary for his first crop of grain and alfalfa seed. By the second year he had cleared another 40 acres of sagebrush and raised a decent crop of oats and alfalfa seed.

Alfalfa seed dropped from 25 cents to 10 cents a pound that crop year, but Anglen had to sell most of it anyway to have money to pay bills.

Skilled Sheep Shearer

Anglen continued his trappings. He worked out as a sheep shearer to make payments on his homestead. He borrowed \$750 from Farm Security Administration to buy three milk cows, a team of work horses, a disc, harrow, and grain drill, plus lumber to build his own land leveler.

Winters, besides trapping, Anglen cut cottonwood trees from along the river for fence posts, hauling the posts and wood for heating his primitive cabin in a four-wheel trailer pulled behind a Model A Ford.

"Every nail in my house, every staple in that first two-wire fence around my 160 acres I drove myself," Anglen recalls.

The Anglens, hard-working, determined, ambitious people made a place out of their rough homestead.

Ten Year Plan

After three years, they finished the two back rooms. The fifth year they paid off FSA. The sixth year they finished paying for their land. The 10th year they added three more rooms, modernized the house, stuccoed over the original logs.

Now, after 29 years they have good outbuildings including two large sheds, a shop and double garage, a bunkhouse and storage building.

Ten years ago they bought 60 acres $\frac{3}{4}$ of a mile east from Dean Dietrich and paid cash for it. Six years ago they bought the 100-acre Starrett place from the bank.

Last Spring the University of Wyoming bought 750 sheep from Anglen. And today his place, fenced and cross-fenced, handles over 400 ewes, plus 300 lambs on the feedlot.

Anglen once raised cattle and sheep but he now specializes in cross-bred Columbia and Rambouillet sheep.

Anglen hopes land on Third Division will be available for sale. He's prepared to help establish his son Earl and family on their own place.

And Anglen is concerned over cracking cement in a series of drops on the west side of his place. These structures need replacing to assure flow of water to his and neighboring farms.

Looking back on years of hard work—shearing sheep at 8 cents apiece compared to today's 45 cent charge, years when the farm couldn't pay interest on his small debts—Anglen believes Midvale people have earned a better deal than the present contract with the government that runs for over 100 years.

Must Complete Project

He believes the project should be finished so deterioration of basic irrigation work doesn't place in jeopardy the lifetime effort made by him and dozens of others like him who have stayed to conquer problems of irrigated farming in Wyoming.

Anglen had never irrigated an acre of ground until he bought the raw homestead in 1937. His life has been filled with hard work. The Anglens have been frugal.

The new REA lines went by his place for three years before he felt he could hook on.

How can you measure what its worth to the country to have people like the Anglens working, building, improving the land? It's impossible to measure all the benefits, including the intangibles.

But one tangible measure is taxes.

The first year on the homestead, Anglen paid \$10.56 in property taxes. Last year the Anglens paid \$1,937.86 in property taxes, O&M and construction taxes—nearly 200 times the original amount. They paid income tax and sales tax besides.

From a place that produced nothing, paid no taxes in 1937, the Anglens have developed the unit to where some \$16,000 was poured into the bloodstream of commerce in 1965.

Mrs. Anglen, who has worked for years as a nurse at the Riverton hospital besides her farm wife duties, hopes to see the Riverton project improved. The reauthorization bill pending before Congress will make secure the magnificent effort made by the Anglens and others like them to build Riverton project.

Ed BOGACZ

ONE OF THOSE REMARKABLE MEN

A lot of money and sweat has been invested in Midvale farms. Edward L. Bogacz can attest to that. He worked 14 years, including a four-year stretch in the army, to raise enough money to buy his first farm.

Another 15 years of hard work leads Bogacz to several conclusions about the future of the Riverton project.

"We want to keep what we've got. We have some real problems with our irrigation system. Our whole lives are wrapped up in this project. We want to keep it going, want to make things better. We want to do what will help the country get rid of the black eye it's got."

Came as Farmhand

That about states the case for the Midvale Irrigation District Commissioner who came to Wyoming from Nebraska in 1937 as a farm laborer. He left Loup City, Nebraska, with others who heard there were farmhand jobs on the irrigated Riverton projects.

"I came to view the scenery," Bogacz says today. He stayed to change the scenery, for the better.

The depression lingered in Wyoming through 1937-38. Bogacz went to work for Earl Kelly, running sheep. Kelly gave him a chance to catch up on his back pay by taking sheep on shares.

"The next spring we liquidated. Those sheep I'd marked as mine with a "OO" and fed beettops sold pretty well. I got \$20 for the ewes, which beat the \$35 a month I'd agreed to work for," Bogacz recalls.

Married Pioneer Girl

He married Betty Beckman, daughter of a Riverton farmer, and granddaughter of a man who homesteaded on the Big Wind River in 1906.

The Nebraska farmhand and the pioneer's daughter were married in 1943, just before Bogacz went off to war for four years.

Bogacz returned from World War II to work on various Riverton farms. He applied for a new homestead being opened up near Riverton for postwar veterans.

"My number was too high. If I'd had a low number, I'd have chosen one of the Hidden Valley farms," Bogacz said.

Working on project farms had taught Bogacz a few lessons. He took a few more lessons from the GI farm training school—working, learning, deciding.

"I figured I could do better with an established farm. Then I'd know where the seepage was going to show up," Bogacz said.

Labors 14 years

After 14 years of work, the Bogacz' bought the S. L. Moore 160 acre place near Pavillion in 1951.

Three years later they bought another Midvale unit, the 120 acre Bill Gies farm, and diversified their operation. They raised potatoes and processed them for market. The family managed a flock of 400 laying hens.

They have 50 black Angus cows plus 700 ewes.

This year's crops included sugar beets, hay and grain. His spread included a lease on 900 acres of marginal land on the south side of Ocean Lake, providing cheap livestock pasture.

Leases in Third Division

When Third Division places were put up for lease, Bogacz bid on the Alex Weitzel place.

"I raised 22 acres of beets out there and they made 13 tons to the acre—better than many did in Missouri Valley with the bad year," Bogacz said. An early September snow and freeze cut yields in 1965.

On his Third Division lands barley went 110 bushels to the acre; his hay made three tons to the acre.

He is wintering his Angus cows on pasture on the leased unit.

Bogacz has leased another 320 acres from H. E. Lang, a good part of it sub-irrigated, making quite a spread to care for.

But take care of it he does, with help from a hard-working wife and the family's five children.

Have Five Daughters

Boys? No, all girls, ranging from Lynette, a freshman in junior college, to DeAnna, 16, who's the top farmhand, down through Rebecca, 12, Ladonna, 11, and Kendra, 5.

The family lived five years in an old 5-room house, the cracks in the walls stuffed with paper and no running water. When the Bureau sold houses from the construction camp, Bogacz bought one, moved it on a full basement, modernized it with running water, re-wired, painted and repaired. The place is now one of the neatest in the valley.

The Bogacz formula for success: work hard, buy land right, study, profit from experience, fertilize to increase yields, hold down capital costs with sensible machinery purchases.

Bogacz has done his share of community service. He has served on the Pavillion school board, was ASC committeeman for four years, is serving his second year on the Midvale board. Last fall he was elected state director for the Upper Missouri River Basin Association.

Over the years, Bogacz has built six miles of sheep tight fences, leveled 40 acres of ground for better irrigation, put in 4,000 feet of concrete lined main laterals.

Sees the Problem

He still needs 1500 feet of tile drain. And the Pavillion main lateral continues to seep into Bogacz property and should be lined.

Bogacz believes in the Midvale project and has ideas on what it needs to survive and prosper.

He helped develop the sand pump to fight against silting in the Wyoming canal.

"We have to fight silt nine feet deep in the canal because Diversion Dam is silted full," Bogacz said. He mentions other immediate needs—the chute at Pilot Reservoir, the erosion along Five Mile Creek and the Ocean Drain.

And he has ideas for the future, such as, building a canal out of Ocean Lake from which water could be pumped to good lands above the ditch when the land is needed.

Need Unified Control

"A single administration is the only way to operate the project," Bogacz believes. There never should have been a small single area like Third Division. There's a need for unified control.

Ed Bogacz is a man who uses his labor as capital. His story has a Horatio Alger quality—farmhand to farm owner, a story repeated many times across Midvale Irrigation District by farmers who through sweat, toil and determination have built the country.

CARL WELTY

ONE OF THOSE REMARKABLE MEN

Carl Welty drove his Model A Ford to the bench overlooking Paradise Valley. He and his wife were trying to decide. Should they buy that 160 acres of sagebrush near Pavillion, or should they go back to Nebraska?

It was 1938 and Welty remembered the fate of his father in Kansas where for seven out of 10 years there has been no crop whatsoever because of drought.

Before them stretched the patchwork of fields in Paradise Valley just below Airport bench near Riverton. They could see grain, hay, beets, beans and pasture lands. It was all green, thanks to the reliable flow of irrigation water from the Wind River Range of the Rockies they could see back over their shoulders.

"Let's try it. We know we'll have water," said Welty. It was lack of water that had driven so many from Nebraska and Kansas against the wall.

Buy Patch of Sagebrush

The Weltys drove to Riverton and bought from Miss Lucille Connaghan the 160-acre patch of sagebrush a few miles from Pavillion. Maps showed 104 acres of it was irrigable.

Miss Connaghan, a realtor, had picked up the place at a tax sale after the original homesteader, James O'Brien, had proved up in 1906-10, but had never broken out an acre of ground. A little down, a few hundred dollars a year, were the terms.

The Weltys drove back out toward Pavillion and rather sheepishly told the Everett Hutchins, whom they had just bade goodbye, that they'd decided to try it on Riverton project. The Weltys are still there.

"We knew you'd be back," said Hutchins to his sister, Mrs. Welty. The Weltys said it was the view of Paradise Valley that did it.

Water Is the Difference

"It's the water that makes the difference," Welty said.

Hutchins broke out a few acres of ground for Welty that fall.

To get ready for the spring work, Welty decided to try a little fall irrigation of the sagebrush, so it would be easier to plow.

"How much water do you want turned in?" asked the ditch rider when Welty a man who had never irrigated before, turned in his order.

Welty didn't know, so the ditch rider gave him a whopping big head—about six-tenths—and down it came in the new, soft, main ditches.

Barefoot Irrigators

Mr. and Mrs. Welty met it, both of them barefoot for lack of even a pair of irrigating boots. The water broke out here, washed a gaping hole in the bank there, overflowed hither and yon. The Weltys, carrying gunnysacks, fought until exhausted to try to keep the water in the new ditches, but finally Carl went to the ditch rider and said, "Turn it off. We can't handle it yet."

Welty went to Wyoming Tie and Timber Company and ordered a few loads of rejected railroad ties. He had worked on the railroad and like so many other early project settlers, ties were the most promising building material in sight.

They poured a concrete foundation and laid up their first small house out of ties, using borrowed tools and paying for the materials with a \$150 loan from Farm Security Administration.

The crude house up, they went back to Nebraska, loaded their few things on a truck, hitched a trailer behind their Model A, and came back to stay.

Sickness in a Blizzard

January, 1939, was mild. But arriving with the Weltys on February 9, 1939, was a blizzard and subzero temperatures.

"We had brought the windows for the new house with us," Welty recalls, "and we put them in, one a day, during that bitter cold."

A half mile down the road lived the Clair Days. Mrs. Day recalls her first visit to the Weltys.

"They had all the extra bedding they own hung up over the open doors and

windows to keep out the cold," Mrs. Day recalls. She came with bad news a few days after Welty's arrival.

The Day family was struck down with infectious yellow jaundice. Could Welty come help? Yes, he could, and did, although his own crude home still let snow and wind whistle through the openings.

Help Your Neighbor

For three weeks Welty trudged back and forth the mile between his new homestead and his neighbor's place, doing the chores night and morning until the Days recovered.

Illness loomed large in the Weltys' life. Carl was sick himself the next three weeks after getting the children from Nebraska. The kids, Carl Jr., 9, and Bonnie, 11, brought measles with them.

Mrs. Welty herself was ill for most of the first 17 years the family spent on their homestead.

With help from neighbors; the Stearns, the Days, the Hutchins, Weltys got in their first crops. They had 13 stacks of grain that first year, left for later threshing as Welty went to Spokane to work a few months on the railroad to get a little cash.

He drove a school bus for 18 months, and that helped. So did the load of home-canned vegetables Mrs. Welty put up at North Platte from a garden watered from the well.

But the rest of it all came from the land, most of it from that first 104 acres. In the late 1940's Weltys bought another 80 along the highway from Clifford Leach.

A Boy Through College

For several summers, after Carl Jr. entered college, father and son leased extra places and farmed to raise money for next fall's term at college. Beans were the family blue plate special as a cash crop.

"We lost some top soil in the process, but the beans paid out," Welty recalls. An early frost nipped a couple of crops and one was hit by hail, but in all the years there was never a total failure like there was in Kansas and Nebraska during the drought years.

Carl Jr. went on from the University of Wyoming to Rochester University to New Haven Laboratories to the army to Harvard and then to his present job in the bio-physical sciences and industrial hygiene with the AEC.

Daughter Bonnie, now Mrs. John Wempen, is a farm wife at Pavillion. Her husband also works for Midvale Irrigation District.

Same Solid Foundation

The first solid foundation which holds the tie house is still home today for the Weltys. But you wouldn't recognize the place. Lilacs, spirea, forsythia and honeysuckle stand like bouquets around the place. An apple orchard leads down the slope, providing shelter for the Weltys ewes and lambs during their tender weeks.

A fine line of sheds and farm buildings stand on the hill above the farmhouse. Tree branches, cut from the Ross Bisbee place, were heeled in until they sprouted. This beautiful windbreak from native stock is now being supplemented by a new 6-row windbreak on the hill, trees standing 10 feet high, growing mainly from SCS nursery stock.

A laundry, utility and chore room has been added on the house where in winter Weltys separate and sell cream from their dozen milk cows.

One look at Weltys' place reveals that someone who cares lives there. The place is as neat and orderly as a Swiss chalet.

The Welty Philosophy

How have the Weltys, and neighbors like them, done it? Through hard work. By being conservative. By being modest in their wants. By putting back into the soil and their places their profits, their toil, themselves.

Neighbors up and down the road have come and gone. But Weltys, the Clair Days, the Ted Stearns are still there after 25 years, and they intend to stay.

"They say our forefathers pioneered. We did our share of pioneering, too," Welty recalls with great pride.

And it's justifiable pride for a couple that saw their whole place go wet from seepage, after about five years of irrigation. It took another five years to get drains installed, the land nursed back to full production through use of gypsum to break up the alkali.

But Weltys brought it back with the same loving care and devotion shown by Mrs. Welty this spring when she nursed to health no less than 22 "bum lambs" saved from their own flock.

Welty described his life at a recent Grange meeting when each was asked to name his hobby and his work.

Work and Hobby

"I work for the community, my hobby is farming," Welty quipped. And he spoke the truth. He's on his third term as Midvale commissioner. He's chairman of the board for Pavilion Methodist Church, Master of Pavilion Grange. He has been ASC committeeman, and has served on the Pavilion Soil Conservation District Board. His wife is chairman of the garden club. She serves on the election board, helps with Grange and church work.

The Weltys know the challenge of farming on Midvale. They know wet lands can be reclaimed. They've done it.

"Lining all the ditches would be a great thing for our district," Welty said. There is drainage needed. Structures need repair, the worn out system needs renovation.

The Riverton project will be in good hands when all divisions are united and managed by the likes of the Carl Weltys.

GID DAVISON

ONE OF THOSE REMARKABLE MEN

"The secret of success on a Riverton Project farm is the guy you put on it."

So says Gid W. Davison, and he speaks from experience. Davison was crawling around in Wyoming sagebrush before he could walk. In the last 50 years, Davison has broken out enough sagebrush ground to make him an expert on the subject.

His dad, C. A. Davison, went to Alaska in the early 1900's to try his luck in the gold rush. He saw an advertisement about the Riverton land opening and filed for a homestead.

He drew unit No. 143 on the Reservation withdrawal area and chose a 160-acre piece of flat ground in what is now Missouri Valley.

Little Gideon was three months old when Mr. and Mrs. Davison moved on the place, believing that water, as promised by the early ditch company, would be coming next year, or the next, or the next.

It came, all right, but 25 years later.

The Bureau of Reclamation started in 1925 with Wyoming Canal, with water reaching Paradise Valley about 1928. Although the Bureau was to take another nine years to get water to the Davison homestead in Missouri Valley, the Davisons didn't wait.

Ahead of Bureau

They ran water down a draw from Paradise Valley into Missouri Valley and started irrigating their lands from their own ditch system in 1932.

Davison Brothers were ahead of the government project again in the early 40's. The elder Charles Davison died in 1942 and the Missouri Valley homestead, along with another 160 bought from Bill Perrin, was split into four 80-acre tracts, one for each of the four Davison children, Willis, Ida (Mrs. Bob Ferrin) Gid, and Barbara, now Mrs. Floyd Verley.

The Davisons bought 320 acres of Hidden Valley farm land from Warren Klocke, land that was still in sagebrush. They started pumping water from the Big Wind River to irrigate their latest homestead in 1946, two years before the Bureau of Reclamation delivered its first water to Hidden Valley in 1948.

Charles Davison always figured he needed about 1000 acres of land to make the right kind of sheep, ranch and farming spread.

To get it, Davison homesteaded on the Big Horns on Clear Creek up the Badwater in 1928 when it was possible to file on a 640-acre mountain homestead. They still have the place, and since have bought the Woodruff place from Van Okie, a ranch dating back to 1898. Davison Brothers' sheep and cattle now graze where the Woodruff and Madden Buck camp stood before the turn of the century.

Davison's home place north of Riverton is almost across the highway from the Madden farm. The Davisons learned other things from Madden. Madden used his home place, now owned by John Pitts, as an experimental farm, and Davisons learned about raising potatoes, corn, cattle and sheep from the old masters.

It's savvy never to be lost.

Row Crops on Cottonwood

For the last several years, Davison Brothers have raised some whopping potato crops on their Cottonwood Bench leases.

"Our three-year average is over 200 sacks of potatoes to the acre," Gid relates.

The Davisons and their four children, Geraldine, 16, Charles, 14, Bruce, 12, and Helen, 10, pass along their taste for farm and ranch life to their town friends.

"Last year we had 32 kids, including the neighbors and friends from town, out to the Bench helping pick up the spuds," Mrs. Davison said. She packed a lunch for them all. Many of them learned first hand that potatoes come from places other than the fry-basket at the drive-in.

The Cottonwood Bench place keeps producing good crops of hay, corn silage and grain, providing lots of forage for winter feeding of livestock, too.

The Davisons have the last unit down the ditch next to Boysen Lake.

"The growing season on Cottonwood Bench is longer than it is close to Riverton," says Davison. The soil is deep, but sandy.

Know How To Farm

"A man needs to know how to farm land that blows," said Davison, noting wind erosion problems encountered in the Bench lands.

Davison has an understanding about the recreation value of Riverton project irrigation. Back in 1934, Davison helped stock Ocean Lake with fish.

"The fish came in garbage barrels on the train. We unloaded them on Joe and John Nevin's truck and hauled them out to Ocean Lake and dumped them in a stream flowing into the lake," Davison recalls.

What a provident plant it was! Last year, 80,000 fish were caught in the lake, with 25,000 visitations made to the Ocean Lake area by fishermen, boaters and skiers.

"This is a good irrigation project," Davison says. Successful farmers have learned how to raise crops, then sell the forage to the livestock men like Rochelle and Clarence Grieve, if they can't feed it themselves. The valley is full of livestock, brought here to winter because the feed is good, the winter mild.

Two Kinds of People

"There are two kinds of people—builders and destroyers. We need to put the builders in charge of this country and Riverton project," Davison said.

Davison has seen it all. He remembers when the first settlers, the Maddens, for example, cursed the sweet clover that grew so rank. Now it's a valued crop. He remembers when there wasn't a man in the valley who know how to survey an irrigation lateral—now any schoolboy can do it. He remembers, when he bought his present place, that Haymaker Draw was dry. Now it runs a big stream of water year around.

There's work to be done to complete Riverton project.

"I'd like to see them complete the whole thing. Then everybody on it should be happy," Davison concludes.

Probably no other family has the experience, the perspective, about Riverton project that the Davison Brothers have. They speak with authority.

OTHER REMARKABLE MEN OF MIDVALE

HERB BURDEN

Burden brought wet land back into production. He needs additional land to make it possible for a son to return and establish an economic farm unit.

Herb Burden bought the former Guy Davis homestead in 1946, a place on which all but 13 acres of ground was wet and alkaline from seepage. The land was seeped, clear from its south boundary to the Missouri Valley road. Only two small tracts could be farmed.

Burden and the Bureau of Reclamation teamed up to install drains. After a few years, the combined effort of the Bureau-Burden-Midvale team brought the irrigable acres from 15 up to 100. He since has reclaimed another 20 acres.

"We have the seepage about whipped," Burden said. "Most of the land was white with alkali, but the alkali goes out pretty fast when you can stop the seep water from coming up."

"I didn't think the Bureau was putting the drains in the right places, but they were—the drains worked and the land dried out," Burden said.

He since has bought additional lands. He leased the former Wayne Wilson place on Third Division, trying to acquire enough land to increase the opportunity to hold his son, Jim, a young married man, on the farm. Jim has taken a job on a ranch, because of the uncertainties about the future, but he might come back.

The Burdens produced on the Wilson lease in Third Division, 630 stacks of pinto beans, \$2500 worth of grain, and sold the roughage to a rancher after the crops were taken off.

Burden has land also leased in Cottonwood bench. "These lands need to be plowed, leveled, and reseeded," Burden said. "But like everyone else, I've been hanging fire. You can't afford to do too much on land that next year may be somebody else's ground or taken away from you." He says the men farming Cottonwood and Third Division ought to own it.

"The sooner the government sells these lands to experienced farmers, the better for the whole area," Burden said. "Third Division land is about like the rest of the project—some good, some bad." But a good farmer will make a success operating it.

RICHARD PATTISON

Pattison makes a success out of row crop farming of Third Division. He seeks an opportunity for his sons and sons-in-law to stay on the farms, getting better use of equipment, providing pasture and supplemental feed for livestock.

Richard Pattison, son of a pioneer homesteader, now has over 800 acres of lands in home places and under lease. He leased three farms this past year from the Bureau, and will lease them again this year.

"My crops on Third Division were equal to those on my home place," Pattison said. He raised 144 acres of beets in Third Division, with another 205 acres on his home place. His leases showed a yield of 60 bushels to the acre for oats and wheat, and his 50 acres of hay was a good crop.

Pattison said that the availability of the Third Division lands helped make it desirable and economically feasible for young men in the family to come back to the farm. They would stay if the lands can be purchased by Midvale people.

His son Richard W. Pattison recently graduated from the agriculture college at the University of Wyoming. Two sons-in-law, Stan Roden and David Pince, are farming adjacent farms.

"Without the added land, there was no possibility of our four families working together and cooperatively, using much of the same line of machinery, and making a success," Pattison said.

"I think Third Division and Midvale lands would tie together very well. The only drawback to beet raising on Third Division is the longer haul to the beet dump," Pattison said. "Third Division lands also make a good livestock feeding area."

Pattison and the sons and sons-in-law are feeding 2350 head of lambs.

The Pattisons have a good line of farm equipment, but found it easy to hire others with extra-capacity equipment to do work on a custom basis for their Third Division and other land leases.

ART STEARNS

Stearns needs Third Division lands to supply supplemental feed for his dairy cows.

Art Stearns has a 160 acre home place, and leases another 80 acres from a neighbor. He irrigated a total of 150 acres at home. That isn't enough land to supply feed for his 60-65 cow dairy farm. Stearns milks 45 cows the year around, using a modern, Grade A barn, milk cooler, and bulk tank.

When Third Division lands came up for lease, Stearns leased the Clarence Blair place in North Pavillion. The unit lies 7 to 9 miles from his home place.

During 1965, the first year of his lease, Stearns produced 3000 bushels of grain, netting 75 bushels to the acre. His 60-70 acres of hay produced 250 tons for his dairy herd. He has 50 head of his dry stock and young animals on winter pasture on the Third Division lease.

Stearns says the North Pavillion land he now leases would be of great permanent benefit to his dairy farm operation. Stearns is getting up in years himself, but has a grown son at home to help. The home place and the lease were run as a family business, except for part-time help at haying time.

Stearns would be interested in buying the Blair place if it were offered at a fair price.

"We can farm over there and make as much per acre as we can on the home places," Stearns said. "Other settlers could have stayed, too, if they had wanted to farm," Stearns said.

The additional land on Third Division could help improve his profit picture. The cost-price squeeze has pinched down profits.

"Getting the lands in private ownership would be of great benefit to the community as a whole," Stearns said.

ELTON WILLIAMS

The Williams' place in Paradise Valley was the show place of the area. But it went wet, the Williams' boys moved off to establish farm operations elsewhere. It could be reclaimed.

Several men whose stories are told in "Those Remarkable Men of Midvale" series mentioned it was the Williams place and that fine-looking Paradise Valley that made up their minds to settle on Riverton project.

Mr. and Mrs. Claude C. Williams and their children, including Elton and Lyle, had a show place. It wasn't fancy, but the house was neat, the grounds well cared for and a big, green windbreak surrounded the buildings.

Today the trees stand naked and dead. Fields are white with alkali. The house is empty and abandoned. The water table is so high that the place is worthless.

"For a while it was excellent," recalls son Elton Williams. "We were the first farm that could raise 20-ton per acre beets in the Valley." But after a few years the lower part of the place became marginal. A strip west of the house went totally wet.

"It raised Kochia weed and foxtail for awhile," Williams said, "but then it got so wet even foxtail couldn't grow." Mr. and Mrs. Claude Williams stayed there nevertheless, until Claude was stricken with a stroke that left him paralyzed for five years before he died.

The family rented other places and got a living, but little more. When Mr. Williams died, the sons sought different farms, rather than try to fight the seepage at home.

Elton bought the 100-acre Steven Stark farm in 1948 near Pavillion, and since has bought 160 acres from Bill Paul that was the Tracy Guhl farm. He recently bought another 40 acres from May Murphy.

"We got these places only through a lot of hard work," Williams said. He and his wife Helen, daughter of another project farm family, the Gabe Larsons, have seven children. One is married and attending college in Casper. Five girls and a boy help at home with the 60-cow, grade A, dairy operation.

Mrs. Claude Williams is in town. She can't bear to go back to look at her "show place".

BILL BROWN

Brown left a high paying supervisor's job with a road construction company to get his family to a farm. He now leases over 600 acres of land and is buying 500 besides.

Bill Brown, a longtime Fremont county resident, had a \$12,000 a year job with Gilpatrick Construction Company. But at the end of 1963 he looked at his records. He had been gone from home more days than he had been there. He decided to get back to the farm.

Brown is a newcomer to Midvale, although he grew up on a farm. He took his life savings and bought the Mrs. Otis Williams' farm, a place with an acre of grass for a front yard and windbreaks on all sides.

That wasn't enough land to make a living so Brown bought the Jim Fike farm to bring his irrigable acres to 500. Then he leased 615 acres in North Portal from Barrett and Marlatt.

"I'm worried over the improvements during the time no one lives on these farms," Brown said. The Marlatt place has a modern house. Brown, like the other lessees, tried to look after the improvements, but he has a feeling of dread against vandalism, fire and theft every time he leaves to come back to Missouri Valley.

Brown has sheep, keeping his yearlings at the home place. He has 450 pairs of ewes and lambs.

Steve, 14, has the 10 purebred Rambouillets that circulate around in a continuing project to help boys start a foundation flock. There is also Tim, 12, and Bradley, 5, boys who Bill Brown wants to grow up under supervision of a father at home, not away on construction jobs.

Brown is a typical man looking for land, wanting to get back in farming, or wanting to help his sons get established on a family farm. Midvale could answer this need for many with the Third Division lands.

Brown, a hard-working giant of a man, is pleased with the yields from his Third Division places—55 bushels of oats and two cuttings of hay. He has a fortune sunk in land and machinery, but he's confident his ventures will pay off with hard work.

Senator ANDERSON. We will now hear from Mr. Dominy.

STATEMENT OF FLOYD E. DOMINY, COMMISSIONER, BUREAU OF RECLAMATION; ACCOMPANIED BY KERMIT K. KOBER AND MAURICE N. LANGLEY, DEPARTMENT OF THE INTERIOR

Mr. DOMINY. Mr. Chairman and members of the subcommittee, I have on my left, Mr. Kober, who is the irrigation supervisor for region 6 in Billings, and on my right, Mr. Langley, who is the Chief of the Division of Water and Land Operations here in the Washington Staff of the Bureau of Reclamation.

The Riverton project was first authorized as an Indian project by the act of March 2, 1917 (39 Stat. 969). It was placed under the jurisdiction of the Bureau of Reclamation by the act of June 5, 1920 (41 Stat. 874, 915); the first and second divisions of the project, encompassing some 45,000 acres of irrigable land, were brought under irrigation during the next 20 years.

The general plan of development of the third division of the project was reauthorized by the Flood Control Act of 1944 (58 Stat 887) under the description "Riverton Extension Unit of the Missouri River Basin project." Because of the difference in the time between the construction of the third division and the first two divisions of the project, the third division has been generally treated as a separate entity by Congress.

This proposed legislation would reauthorize the entire Riverton project as a unit of the Missouri River Basin project; thus, the boundary of the Riverton Extension Unit, third division, would be extended to encompass the first and second divisions, including all lands in the Midvale Irrigation District.

The reimbursable irrigation costs beyond the ability of the water users to pay would be assigned for repayment from net power revenues of the Missouri River Basin project.

Senator ANDERSON. About how much is that?

Mr. DOMINY. About \$19.8 million.

Senator ANDERSON. Senator Jordan.

Senator JORDAN. While we are on the subject, Commissioner, is this the only project, as has been stated here, in the Missouri River Basin that does not share in the power revenues beyond the ability to irrigate?

Mr. DOMINY. There are some other projects built prior to the 1944 Flood Control Act that are not included, nor do they need to be, because the repayment arrangements are adequate under the original laws. The third division could have been built under the Missouri River Basin project, because it was authorized that way, but it was also authorized as a part of the original Riverton project and, actually, the way that we sought the money from the Congress, it was never included into the Missouri River Basin, so that even the third division at the moment does not come under that Missouri River Basin authority.

Senator JORDAN. The first and second divisions come under the Missouri River Basin project?

Mr. DOMINY. No, sir. This would put them all under it.

Senator JORDAN. The first, second, and third divisions?

Mr. DOMINY. It would put them under the act.

Senator ANDERSON. That is one of the purposes of the bill.

Mr. DOMINY. That is one of the main purposes of the bill. It would reauthorize the entire project as a unit of the Missouri River Basin project for payout purposes, and give it the same privileges as any of the other Missouri River Basin project units.

Senator ANDERSON. It would seem to change the reclamation concept, all the way through.

Mr. DOMINY. It would change the repayment concepts for the Midvale Irrigation District—it would change the payout for the entire Missouri River Basin project, but we can show that this can be incorporated within the payout of the Missouri River Basin with power revenues available.

Senator ANDERSON. Has this been made a part of your report?

Mr. DOMINY. We can accommodate this additional burden within the payout as laid down by the acts of Congress; yes, sir.

Senator ANDERSON. The first and second divisions would be covered by this?

Mr. DOMINY. The first and second divisions have their problems, too, and have had them over the years. They have had mandatory contracts, because they could not meet the terms of the original one. I think they have done extremely well under the circumstances.

Senator ANDERSON. I know that they have.

Mr. DOMINY. We need some adjustments to give them the ultimate opportunity for even a greater success. And this is what this package is all about.

Senator ANDERSON. Is all of the land in the Riverton project involved?

Mr. DOMINY. Yes, sir.

The Secretary would be authorized to supersede the several existing repayment contracts of the Midvale Irrigation District with a single 50-year repayment contract.

This is on the same basis that all new projects on the Missouri River Basin project have been operated.

Construction costs assignable to lands classified as permanently

unproductive would be nonreimbursable in compliance with reclamation law. The excess land limitation provisions would be modified to permit delivery of water to 160 acres of class 1 land or the equivalent in other land classes, as determined by the Secretary.

The proposed legislation would give priority in the purchase of presently owned Government land to resident landowners on the Riverton unit who have not sold their lands to the United States under provision of Public Law 88-278. Thus, irrigable lands with basic water rights and project facilities would be returned to the tax rolls and be utilized, not generally as independent farm units, but as supplements to the farms in the Midvale Irrigation District. The first and second divisions would become a part of the Missouri River Basin project. The present practice of year-to-year piecemeal leasing does not encourage the lessees to improve the lands or to properly operate and maintain the facilities.

You will recall that we have been striving for a number of years to achieve a permanent solution to the long-standing problems of the Riverton project, particularly its third division. In May of 1961, the Board of Commissioners of the Third Division Irrigation District asserted that the lands of the district had no repayment ability.

Thereupon, I, as the Commissioner of Reclamation, appointed two independent boards of consultants, one to study the repayment capabilities of the third division, and the other to review the drainage problems and land classification of the third division. Both boards of consultants reported that upon completion of canal lining and drains, the third division lands could support a sustained irrigation agriculture producing sufficient income to pay farm operating costs, family living expenses, and water charges, including a construction component.

Pursuant to a request of the House Committee on Interior and Insular Affairs, the Secretary of the Interior appointed, in August 1962, a review commission to make a special study of all Reclamation projects in the State of Wyoming. The Wyoming Reclamation Projects Survey Team gave its first consideration to the Riverton project.

A copy of the team's detailed report on that project was furnished to you on February 20, 1963. Some of the recommendations of the survey team have been carried out within the present scope of authority of the Department of the Interior. Legislative authority to put into effect the other recommendations of the team, as well as recommendations of the two previously appointed Boards of Consultants, is included in S. 670.

The proposed legislation, based mainly upon recommendations of the survey team, would enable us to proceed with the solution to the problems of the Riverton project.

Because of problems encountered by the landowners in the third division, the Congress, by the Act of March 10, 1964, Public Law 88-278 (78 Stat. 156), authorized the United States to acquire lands of that division. The United States presently owns all but a small portion—approximately 80 acres—of the 11,831 irrigable acres in the third division.

I want to hasten, right there, to point out that of the 11,831 acres, 8,913 acres are usable right now. The canal lining on the drains are in-

stalled that permit the farming on a sustained basis of 8,913 acres; 2,918 acres are the same kind of land, but we do not have the drains in yet.

Senator ANDERSON. What is going to happen to these 8,000 acres? Will the 8,000 be disposed of in the same way that you dispose of other lands?

Mr. DOMINY. Under this legislation, we would be authorized to give priority to the Midvale farmers and sell it at the appraised value of the land.

Senator ANDERSON. Why?

Mr. DOMINY. Because they are in need of expansion of their units.

Senator ANDERSON. Well, I know, but other areas are involved which are in need. There is a certain procedure that the Bureau uses in handling this. These are 8,000 acres in this area. There may be 8,000 acres in Arizona, and would they be open to Colorado growers?

Mr. DOMINY. It would be in the first instance under normal reclamation land settlement procedures.

We have gone through that step once. We did open it up under regular public land homestead procedures. We ran into this problem. And now we feel that some special consideration is justified.

Senator ANDERSON. Are you doing the same thing that you are requesting here for other American citizens? That is, if you have an irrigation project, they buy it back with the right to use it?

Mr. DOMINY. No, sir.

Senator ANDERSON. I mean, those who originally had it?

Mr. DOMINY. The ones—

Senator ANDERSON. They must give up?

Mr. DOMINY. The ones that were bought off would have no rights whatever.

Senator ANDERSON. You just finished saying that they would.

Mr. DOMINY. The Midvale farmer was not bought out. Let us go to the map, please. The Midvale division is this lower half of that area covered on the map. None of those lands were acquired. The lands that were acquired were the lands above the red border. And none of the farmers that sold would be entitled now to buy the land back. It would go to the landowners of the Midvale project that are having trouble with inadequate-sized units. We homesteaded it in very small units, many of 80 acres in size. And they have been trying to revamp that project and get it on its feet. These are the farmers who have been leasing these third division lands after we bought out the original settlers. And now, we would give preference to the Midvale farmer who has demonstrated his ability to farm in this area, and who can use this land to advantage to augment his economic unit.

Senator ANDERSON. The third division was sold back to the Government?

Mr. DOMINY. That is correct.

Senator ANDERSON. So that the first and second divisions have this preference; but how about the original ones in the third division?

Mr. DOMINY. The third division settler who sold out has no rights whatever. We would not permit a unit to go back to a man who has already been bought off.

Senator ANDERSON. My question was in regard to divisions one and two.

Mr. DOMINY. Those in the first and second divisions would have the first rights to purchase; yes, sir.

Senator ANDERSON. Why?

Mr. DOMINY. Well, because we think that they should have a chance to expand their units.

Senator ANDERSON. Why do you give them a preference?

Mr. DOMINY. For the same reason that we are giving the preference on the Columbia Basin, where we homesteaded the farms that are too small, and when we have another unit that comes up, we give them a chance to buy it—to give them a better economic unit. This is exactly what we want to do in Midvale.

Senator ANDERSON. I remember a little bit of the original legislation, in regard to the Columbia area. Senator Norris came over and spoke to the House about that. But this is somewhat different, is it not?

Mr. DOMINY. It is the same principle involved. We homesteaded on the Columbia Basin project, starting back in 1946, and it soon became apparent that we had homesteaded the farms too small, and the only chance we had was to give them a second chance. So that when we had additional land for sale, we gave these fellows who had units that were inadequate, the first chance to buy before someone else came in. That is all that we propose to do on this.

The only difference is a difference in the timing. The Midvale farmers have been there longer and have had to put up with inadequate units for a long time. And, therefore, I think that makes it stronger.

In the third division, 66 out of 67 owners executed purchase options. The execution of options by so overwhelming a majority of the owners was, we believe, due to several factors. First, and perhaps most important, is the requirement of section 2 of the act of March 10, 1964, which provides that water shall be furnished only upon individual application therefor and upon payment of an amount for each acre to which water is to be furnished to the applicant during the year in question equal to the estimated average cost per acre for all lands to be irrigated that year of operating and maintaining the third division. Many landowners who would have otherwise remained felt that under this provision their operation and maintenance costs would be prohibitive.

The remaining half would be at such a high cost rate that they could not stand it.

Pursuant to the requirements of Public Law 88-278, this Department, on July 11, 1966, advised the President of the Senate and the Speaker of the House of Representatives that there were sufficient lands capable of sustained production under irrigation use in the North Portal, North Pavillion—these are all parts of the third division—and Cottonwood Bench areas of the third division to form an economical, feasible unit. That report stated that there are currently 8,913 acres of such lands, and 2,918 acres which will require construction of drains or other betterment works to be capable of sustained production under irrigation.

Our letter of July 11, 1966, also contained a résumé of the financial and economical impacts of the Riverton project computed on the basis of enactment of H.R. 7398—introduced in the 89th Congress and

identical to S. 670—and on the basis of four possible alternatives; that is:

- (1) A 10-year agricultural leasing of acquired lands with continued delivery of water;
- (2) Year-to-year agricultural leasing of acquired lands with continued delivery of water;
- (3) Leasing of lands for grazing purposes; and
- (4) Sale of all lands as dry land, with no further irrigation.

This study demonstrated that irrigation under private ownership as proposed by the legislation, would yield greater financial and economic returns to the United States, the State of Wyoming, and the community than any of the four alternatives and that it would permit the highest and best use of the resources of the area.

The Government-owned lands in the third division have been successfully irrigated by farmers in the adjoining Midvale Irrigation District under a leasing program beginning in 1964.

Senator ANDERSON. Of these 8,000 acres, is it possible to irrigate them and to use them?

Mr. DOMINY. Yes, sir.

Senator ANDERSON. Why should part of that land not go to the original farmers?

Mr. DOMINY. Well, for the simple reason that he was the guy who stated that he could not farm it. He sold it out at a distinct advantage under a very favorable legislation which appraised it as to its full production capacity from its original status, even though it had deteriorated sharply through lack of drainage and other things. And those people took advantage of that. And that is the reason that we bought practically all of it, because the legislation was very favorable to the buyer. Certainly, I would not want to give them a permit to come back in and be a failure again. I would rather give the preferences to the ones who have demonstrated that they are capable of farming, but that their units are too small.

Senator ANDERSON. Have you had others in Riverton who have been in trouble, too? Was the original story that these were for returned veterans?

Mr. DOMINY. This is right. This was veterans preference—both the original first and second divisions—for First World War and the third for Second World War.

Senator ANDERSON. You gave the veterans preference at that time. And now you give it to the farmers.

Mr. DOMINY. They are veterans, too, from the First World War, for the most part. When we settled that, they were veterans from the First World War. They had veteran preference, too, when they took the land.

Senator ANDERSON. As I remember it, a great many of them have moved off the farms.

Mr. DOMINY. There were a number of farmers who have lived on the Midvale project who moved off. But in those days Congress did not come along and buy them out. They sold for whatever they could get and left.

Irrigation development, as you well know, is no bed of roses. It is a thorny struggle. Some of them make it and some do not.

Senator ANDERSON. Thank you. Senator Jordan?

Senator JORDAN. Commissioner, what will be the difference between the price paid by those farmers who sold out in the third division and the price that this land will be offered for to the present ones in the first and second divisions?

Mr. DOMINY. I would like Mr. Kober to comment on that.

Mr. KOBER. We have made an appraisal of that. We have made an appraisal on four of the farms that have been purchased. And I would estimate that, on the basis of those four farms, that practically, the purchase price that we would get would be in the neighborhood of 40 to 50 percent of the price that we purchased it for from the original owners.

Senator JORDAN. That leads to another question. Would it not have been possible for this man who sold out the third division land to the Department, perhaps, to have survived if he could have had a reduction in the cost of that land to the 40 or 50 percent that you are going to offer it for to these people?

Mr. DOMINY. He got the land for free as a homestead.

Senator ANDERSON. Not all of them.

Mr. DOMINY. They certainly did in the original instance.

Senator ANDERSON. All of them?

Mr. DOMINY. Every single unit of that third division was public domain land that we bought from the Indian reservation. It was acquired for the purpose of the Riverton project.

Senator JORDAN. You are proposing now to resell it to those farmers in certain divisions at about 40 to 50 percent of what you bought it for?

Mr. DOMINY. Yes. As I said a moment ago, we did not buy it back at an appraised value of its current production capacity. We bought it at a very favorable basis.

Senator ANDERSON. You gave a little bonus?

Mr. DOMINY. Yes; we certainly did. We were required to do so. We would dispose of it at its current market value.

Senator ANDERSON. Is there some way that we could show a preference to these original farmers? Why do these get the preference? Is this the same practice that you have for all lands that you sell? What is the difference here?

Mr. DOMINY. I do not know how to say it any differently than I have already said it. This is a special thing. This is a special circumstance. We homesteaded the reservation land once, in the third division. And they went belly up. I could give you a lot of reasons why that happened. No. 1 was that we opened up the unit a little too small. They did run into a lot of problems.

This was a rush job that came in right after World War II. There was not a good land classification on those lands.

Senator ANDERSON. You said the units were too small. Are they not in the same limitation situation on the first and second division land?

Mr. DOMINY. Originally.

Senator ANDERSON. Are they still in the same situation?

Mr. DOMINY. Yes.

Senator ANDERSON. Why do we have to change them now? You say they are doing fine.

Mr. DOMINY. It is not the 160 limitation that I am talking about. It is the fact that the first and second division lands were not homesteaded

at 160 acres by the individuals, but for the most part they were homesteaded at 80 acres for individuals, or even less.

Senator ANDERSON. They are making a prosperous return on the 80 acres.

Mr. DOMINY. No. There have been adjustments on the land.

Senator ANDERSON. In the acreage?

Mr. DOMINY. And, remember that a man and wife can have 320 acres, even without the class 1 equivalent.

Senator ANDERSON. I do remember that.

Mr. DOMINY. And most of them have managed—those who have stayed there have managed to build up a little larger unit, but it is still far from utopia. They could still improve the economic situation of the Midvale farmer. That is, we could if we could incorporate the third division land with the established farm economy of the first and second divisions—with the competent farmers who have learned to live with the vagaries of Wyoming agriculture.

Senator ANDERSON. Can you show on the record that of the ones who farm, why some do well, and others do not? Or is there not a regulation as to how you sell this land?

Mr. DOMINY. There was in the first instance.

Senator ANDERSON. Is there now?

Mr. DOMINY. We have a special situation here now.

Senator ANDERSON. Is the law that we cannot do that now?

Mr. DOMINY. Mr. Langley can speak to that.

Mr. LANGLEY. We could actually sell these lands under the 1964 act. During hearings on the 1964 act we testified that we would hold these lands for awhile until they demonstrated that they could be successfully farmed.

Mr. DOMINY. Could we sell them as irrigated lands under the act?

Mr. LANGLEY. Yes. We could sell them as irrigated tracts. However, what we are proposing to do is consistent with a number of pieces of legislation. It is consistent with the policy we are following in almost every project in the Bureau where we can strengthen existing units within the framework of whatever regulations apply to a project. We are giving preference to strengthening the existing units before we introduce the new units and new farmers into an area. We are doing this on the Columbia Basin—on the Gila project.

It is consistent with the act of March 31, 1950, where we have irrigable lands on projects, and there we give first preference to the existing farmers to strengthen the units, rather than bringing in more farmers.

Senator ANDERSON. Are there any existing on the area?

Mr. LANGLEY. There are existing farmers on the Riverton area. There are none left in the third division, except one farmer, and he also has a preference—the only farmer who is left in the third division would have a preference, yes.

Mr. DOMINY. The only one that did not sell under the original 1964 act.

Section 1 of S. 670 would reauthorize the entire Riverton project as a unit of the Missouri River Basin project. This would modify the plan

for the Riverton extension unit—third division—Missouri River Basin project, to include the entire Federal reclamation project.

The consolidated project would be placed under one contracting organization, the Midvale Irrigation District, which would assume operation and maintenance responsibility for the project works. Subsections 2(a) and 2(b), respectively, would authorize the Secretary to replace all existing repayment contracts by a single amendatory repayment contract with the Midvale District, and would authorize a 50-year repayment period for the amendatory contract.

Subsection 2(c) authorizes retention of the rates of charge to existing land classes and the acreage assessable in each land class during construction and testing of the water conservation works. Thereafter, the rates of charge and assessable acreage would be determined in accordance with the amortization capacity and classification of unit lands as determined by the Secretary.

Under subsection 2(d) the district would be credited for amounts paid on the repayment obligation under previous contracts, with a commensurate reduction in the repayment period of individual tracts to reflect credit for amounts formerly paid by the district and attributable to such tracts.

Pursuant to subsection 2(e), for the first 10 years of the repayment period, the annual obligation of the district would be reduced by the amounts it has credited to water users who have, at their own expense, provided drainage tile. This reduction would be limited to a total of not to exceed \$50,000.

To alleviate water-logging and salinization problems, the district has repaired or replaced deteriorated project works, lined canals and laterals, and installed an effective drainage system under a rehabilitation and betterment program. This has resulted in a district obligation as of June 1966 of \$4,464,925.

In addition, local farmers themselves have spent almost \$50,000 for drain tile. In future drainage programs, the landowners will not be required to furnish tile at their own expense. It, therefore, is equitable to give credit to those who have already contributed for such purposes.

Subsection 3(a) provides for the nonreimbursability of construction and rehabilitation and betterment costs of the unit assignable to lands classified as permanently unproductive. However, if at any time in the future these lands should be reclassified as productive, the repayment obligation of the district would be correspondingly increased.

Senator ANDERSON. Did you say that under subsection (b) it provides for the nonreimbursability of construction and rehabilitation costs, et cetera? Do you understand that whatever you do under this program now, you make no charge to them at all?

Mr. DOMINY. This is consistent with the Fact-Finders Act where the land was nonirrigable—that the portion of the project construction cost of it is nonreimbursable. We have done that.

Senator ANDERSON. Have we not had testimony that the 8,000 acres are unirrigated?

Mr. DOMINY. This is going to be about 45,000 acres of the first and second divisions and about 11,000—

Senator ANDERSON. Just the third division now. Are you not proposing that the third division area—

Mr. DOMINY. Yes. We have 11,831 acres that we can make irrigable.

Senator ANDERSON. Do you plan to put a full charge on that?

Mr. DOMINY. Yes, sir. This 8,913 acres already has all of the drainage in. We would need to put added drainage in at about \$24 an acre on 2,918 acres to make a total irrigable area of the third division of 11,831 acres.

Under subsection 3(b), net revenues of the Riverton unit would be applied to irrigation costs which are not assigned to be repaid by water users.

Subsection 3(c) provides that net revenues of the Missouri River Basin project would be applied to reimbursable costs not assigned to be repaid by irrigators or returned from net revenues of the unit. It is estimated that \$19,875,648 would be required for financial assistance from net power revenues of the Missouri River Basin project.

Adequate revenues are in prospect to retire all reimbursable investments and meet all requirements for financial assistance, including defrayal of irrigation costs of the Riverton extension unit which are beyond the capacity of the irrigators to repay.

Senator ANDERSON. Do you have the sum of \$19 million broken down?

Mr. DOMINY. That would come from out of the power revenues of the Missouri River Basin. This is the amount above the ability of the irrigator to repay in 50 years.

Let me give you some figures here as compared to other projects. This would mean that the Riverton project would pay about 16.8 percent of the investment in the project for irrigation. The Garrison diversion unit will pay 9 percent under the Missouri River Basin projects.

The Columbia Basin project—that is a very fine project—pays 17.2 percent of the investment. And the power revenue pays the balance. So on a cost basis and repayment basis, this project will hold its head up.

This financial assistance would be accomplished on or before the 50th year following confirmation of the above-described amendatory repayment contract.

Section 4 modifies the excess land provision of the Federal reclamation laws to permit delivery of water to owners of 160 acres of class I land or their equivalent in other land classes, as determined by the Secretary. This modification was authorized by Public Law 88-278 for lands in the third division, and S. 670 would extend that badly needed modification to the first and second divisions.

Subsections 5 (a) and (b) authorize the Secretary to sell the Government acquired lands at public or private sale in tracts of any size at not less than their appraised fair market value so long as no one owner holds more than 160 acres of class I land or its equivalent in other classes, and gives priority to resident landowners on the Riverton project who have not sold their lands to the United States under Public Law 88-278.

The recommended amendments to S. 670 would include fish and wildlife conservation and development and recreation as project pur-

poses if cost-sharing arrangements are made with appropriate non-Federal agencies. In this connection, Governor Hathaway of Wyoming, on July 11, 1967, sent Secretary Udall a satisfactory letter of intent to assume a share of the separable costs of fish and wildlife and recreation enhancement associated with the Riverton project.

Inclusion of these purposes in the proposed legislation would bring the Riverton unit more nearly in line with the multiple-purpose authorization of the Missouri River Basin project and would be in accordance with the provisions of Public Law 89-72, the Federal Water Project Recreation Act.

Based upon a realistic appraisal of the production capability of the third division lands, which have been successfully leased and irrigated for several years, we are convinced that these lands are as productive as those of the present Midvale district.

It is estimated that \$2,794,624 would be the portion of the reimbursable costs beyond the water users' repayment ability and the amount that would be required for the third division from Missouri River Basin power revenues if S. 670 were enacted. Failure to enact S. 670 or similar legislation, would result in a loss of resource benefits from the existing Federal investment of approximately \$18 million in irrigation storage, conveyance, distribution, and drainage systems.

We urge the favorable consideration of S. 670 by this committee and its subsequent enactment, with the suggested amendments.

Senator ANDERSON. Senator Simpson, in the hearings in 1964, stated:

You are all acquainted with the third division because it is the project which has plagued not only the settlers, but Congress ever since the construction of it in the 1940's.

We have all conceded that it is a political accident. The lands of the third division have soured and are unproductive, and for the most part are unable to produce enough to permit a family to make a living.

Do you think that was a proper statement at that time?

Mr. DOMINY. It was a proper statement with respect to sizeable portions of the lands that were included for homesteading in the third division. It was not a proper statement with regard to these 11,000 acres that we are now discussing.

Senator ANDERSON. I am speaking of Senator Simpson's statement.

Mr. DOMINY. Yes. It was too generalized.

Senator ANDERSON. Not to me.

He stated further:

The lands were never very good. Realizing these facts, this Committee recommended to the Senate that the Secretary of the Interior be given the authority to buy those lands if the entry men desired to sell their property:

The price paid for the lands, which were represented as being suitable for sustained irrigation production, was to be determined without reference to any deterioration in their irrigability subsequent to their entry or acquisition arising from above-normal seepage and/or inadequate drainage.

And then he further stated:

The response to the offer of purchase was overwhelming and was much greater than the Bureau or Congress had anticipated. There may be several reasons for this response. It may be because the land was never any good and the farmers could not make a living, that they are now jumping at the opportunity to bail out and save as much as possible.

That is Senator Simpson. You were here.

Mr. DOMINY. Yes, indeed, I was.

Senator ANDERSON. He was a very fine man.

Mr. DOMINY. I have known him for years.

Senator ANDERSON. Why then did he give this testimony?

Mr. DOMINY. He did not give any judgment that he did not believe.

Senator ANDERSON. He always tested things pretty carefully. One reason is that he always tried to find answers. Do you think that he was mistaken in this notion?

Mr. DOMINY. I think that with regard to a fairly sizable amount of the lands that were homesteaded on the third division the statements that you have read attributable to Senator Simpson are accurate.

Senator ANDERSON. You are suggesting now that the Midvale farmers get their extra acreages and he says that those were no good. Who is right?

Mr. DOMINY. He was right in part.

Senator ANDERSON. In quite a little part.

Mr. DOMINY. Part of the land is considered worthless for irrigated purposes.

Senator ANDERSON. You are now irrigating it—that is what you are now urging?

Mr. DOMINY. No. We homesteaded almost 25,000 acres, Senator. And we are only trying to salvage 8,913 acres. We admit that we did not classify those lands sufficiently in advance. We did run into some drainage problems because of salt and magnesium sulphates and some things that we have not encountered anywhere else in the West. And we spent considerable money on some of it trying to drain it. We admit that we cannot. Therefore we do agree with Senator Simpson's conclusion with respect to about two-thirds of the lands involved, but we disagree to the extent of the 8,913 acres, because we have demonstrated that they can be farmed.

Senator ANDERSON. Did you indicate what the situation was at that time?

Mr. DOMINY. Yes, sir. I had these two—

Senator ANDERSON. In testimony before what committee? I was a member of the committee.

Mr. DOMINY. There were many discussions. At the time that this thing got to the buy-out decision stage, emotion had taken over, and reason was no longer very popular.

Senator ANDERSON. You mean by Senator Simpson?

Mr. DOMINY. I am talking about general attitudes, not specific statements like you are reading here. You would not consider that a man who plowed up the land and took off the sagebrush and established a field of alfalfa and never touched it for 10 years thereafter that he was really making much of an effort to prove whether that farm was irrigable or not. One of the directors who was a big wheel in getting this thing passed to buy out at that time was such a farmer. One of the other directors spent most of his time as a

carpenter and what farming was done on his part was done by his wife and kids. And this land did not have a chance under this kind of an operation. And one of the things that happened early in the days when the alfalfa seed was real high priced the first year or two, these guys just thought that they had the moon by the tail. All they had to do was to irrigate some alfalfa, take a hay crop off and let the second crop come up and get a combine in there and get 40 to 50 cents per pound right at the farm uncleaned. They thought that they had the moon by the tail. Well, that did not last very long. That is, when it came down to really going into irrigation as an enterprise with proper rotation, with livestock and the like, being out there in the wintertime and feeding some cattle, to be moved into town, and let the alfalfa go, and they were not quite ready for that. This is what happened. We will admit that about one-half of those lands should not have been included. I am not going to take personal responsibility for that because it was done before I became chief of the irrigation division, but I know that there was not good land classification in advance.

It was part of the wartime energy to create farming units to returned veterans, and they went in there pretty fast and did not take a good look at some of these lands.

Give us credit, however, we stopped at Muddy Ridge and Cottonwood Bench which were not opened to homestead.

Senator ANDERSON. But you are going to put that back in, the 8,000 or 9,000 acres.

Mr. DOMINY. That is up in the North Portal and Pavillion areas. When the problem began to show up I had a part in stopping settlement. We stopped the settlement of the Cottonwood Bench area, even though a canal system had already been run out to it. So we have not been completely wrong in the third division. All we are asking for now is a chance to go back and pick up that which is good, which we know is good, where the canals are all in, and the drains are in place.

Senator ANDERSON. Did you furnish water to that area this last year?

Mr. DOMINY. Yes, sir. To the leased land—the part that is leased.

Senator ANDERSON. What about 1966 and the 2 previous years—you started in 1967?

Mr. DOMINY. Mr. Langley can give you the data on that.

Mr. LANGLEY. There are two different ways to approach this. The act of March 10, 1964, provided for delivering water for 3 more years.

Senator ANDERSON. You intended to do that. Who had the authority to do something else?

Mr. LANGLEY. Authority exists other than what was supplied here in the act.

Senator ANDERSON. We did not need the extension of 3 years if it was in Federal ownership at all.

Mr. LANGLEY. Not as long as the land was in Federal ownership. If

they had not all sold out, you would have needed the provision in the act to bring it into conclusion in 3 years.

Senator ANDERSON. The Government still owns that land.

Mr. LANGLEY. Yes.

Senator ANDERSON. The bill says, if I can find it again—

The Secretary is authorized to continue to deliver water to the lands of the third division during calendar years 1964, 1965, 1966.

Mr. LANGLEY. You need to read the rest of that.

Senator ANDERSON. I will be glad to read it.

Mr. LANGLEY. I believe it refers to section 9(1) (1).

Senator ANDERSON. Does that say to furnish water?

Mr. LANGLEY. Yes, sir. The act of 1939 provides for leasing lands in the public domain, but in section 9(e) the reference there is to when the lands are in private ownership. It provides that we cannot deliver water beyond the development period unless we have a repayment contract. When the lands were all bought out, that provision became null and void.

Senator ANDERSON. Was the land bought out in 1964?

Mr. LANGLEY. Yes, sir.

Senator ANDERSON. Is this all applicable?

Mr. LANGLEY. Except the reference in 9(d) (1).

Senator ANDERSON. How does 9(d) (1) affect the sale of the water?

Mr. LANGLEY. 9(d) (1) provides that as long as the land is in the development period the water can be delivered to privately owned land.

Senator ANDERSON. Privately owned. This is Government land.

Mr. LANGLEY. That is correct.

Senator ANDERSON. How about that?

Mr. LANGLEY. The authority for leasing public lands is in other sections of the 1939 act, which gives broad authority to lease and husband and administer public domain for best conservation.

Mr. DOMINY. At the time that the 1964 act was passed no one assumed that all of the land would be bought.

Senator ANDERSON. You said a while ago that above this part it was.

Mr. DOMINY. This is right.

Senator ANDERSON. It was rather a sweet deal.

Mr. DOMINY. At the time that the act was passed, if you will read some of those provisions in there, they assumed that part of the settlers would stay on the farms and there was a provision made to continue to deliver water to them.

Mr. LANGLEY. This assumption was so great that the amount of moneys provided for the buy-out was not great enough—we had to come back and get additional authority and to amend that amount.

Senator ANDERSON. As I remember, this is what was done. And this is from Senator Simpson:

With this purchase, I would like to see this matter stabilized for a while so that what has been a nightmare and compounding of confusion and confusion up there would greatly assume an orderly process.

And he further stated:

But I do want to say this, and I made it crystal clear, I hope, in my statement, that we did not want to set any precedent here.

That is why I want to make it clear, this was wrong in its inception. It was politically inspired; we know all about it. It has been a headache to the Congress, the settlers themselves.

Does he not point out pretty well what the problem was?

Mr. DOMINY. I agree with Senator Simpson to a degree. I disagree with respect to the 11,000 acres. I agree that when we started to develop that whole division of 50,000 acres, without a real good land classification, I agree that we started it—even after World War II the people who did it did it in good faith, they tried to get the land for the veterans, which was popular at the time, but as soon as we got into the problem we stopped and we did not settle the Cottonwood Bench area—there was a lot of pressure to go right ahead, but I will take a little credit—I am a farm man and I knew what I was doing, and I did not think that we ought to rush in any deeper than we already were.

Senator ANDERSON. Did you know what you were doing? You say that you were a farm man and knew what you were doing.

Mr. DOMINY. I recognized the problem, I said, that some of the others did not recognize, who had never been on the farm.

Senator ANDERSON. Senator Simpson recognized the problem.

Mr. DOMINY. Yes; I agree.

Senator ANDERSON. You were on the other side at that time?

Mr. DOMINY. I disagree now that you are implying that the statement must apply to the acres that we think are irrigable. I do not think that necessarily follows.

Senator ANDERSON. I did not say that. I read, what Senator Simpson said. We had to rely upon that point of view and we did. I would still follow Senator Simpson.

Mr. DOMINY. I think the buy-out was a proper move at the time, because the thing had—

Senator ANDERSON. I am not talking about the buying-out. I am speaking of the preferential rights on the land.

Mr. DOMINY. We are giving preferential rights to the men who do live on the land adjoining in the same project, and get the water from the same supply, the same canals and all parts of the same operation and maintenance. This is consistent, as Mr. Langley pointed out, in what we are doing on other projects.

Senator ANDERSON. Thank you.

Senator JORDAN.

Senator JORDAN. I just want to be sure that I understand this, because I have been on this project for the last few years, too. You propose now, Mr. Commissioner, to rewrite the contract of all three divisions?

Mr. DOMINY. That is correct.

Senator JORDAN. And in this rewrite you propose to take the government's loss on nonreimbursability against the land which is no longer considered irrigable?

Mr. DOMINY. That is the proposition; yes.

Senator JORDAN. And what is the amount of that particular item—in dollars, I mean?

Mr. DOMINY. \$11,886,933.

Senator JORDAN. That is the amount that will be written off as a loss to the Government when you rewrite the contract?

Mr. DOMINY. Yes, sir.

Senator JORDAN. That is nonreimbursable?

Mr. DOMINY. Yes, sir.

Senator JORDAN. After you rewrite the contracts?

Mr. DOMINY. I hasten to add right there that if the Congress does not want to adhere to the 1939 act, which is what this does, but wanted to add that, to be repaid by the Missouri Basin power revenue, I would have no personal objection to that.

Senator JORDAN. All I want to do is to get this thing so that I can understand it. When you rewrite the contracts, will there be an effort made to set up more nonreimbursables to irrigate, et cetera?

Mr. DOMINY. We have suggested that this might be taken into account to bring it fully into accord with the present project practices.

Senator JORDAN. And what is the dollar item which you have calculated might cover that nonreimbursable?

Mr. DOMINY. We would have to allocate—if you were to do this on the same basis as the new project—we would have to allocate \$1,565,000 to Fish and Wildlife and the State would pay back one-half of that under the cost-sharing principle.

Senator JORDAN. That would be nonreimbursable except for the recovery of the 50 percent from the State of Wyoming?

Mr. DOMINY. Yes, sir.

Senator JORDAN. Wyoming indicated a willingness to assume 50 percent of that cost; have they?

Mr. DOMINY. Yes, sir.

Senator JORDAN. So that the Federal cost then would be of the order of three-quarters of a million dollars to rewrite it as nonreimbursable?

Mr. DOMINY. Yes, sir.

Senator JORDAN. In addition to the \$11-odd million nonreimbursable for the land that we are not going to include?

Mr. DOMINY. That is correct.

Senator JORDAN. Would the bill also provide that all three divisions now would receive power revenue from the Missouri River Basin account, those revenues being over and above the ability of the owners to repay?

Mr. DOMINY. That is correct.

Senator JORDAN. And the extent of that subsidy from the power revenues will be how much?

Mr. DOMINY. About 19¾ million.

Senator JORDAN. That is on sections one and two?

Mr. DOMINY. And three.

Senator JORDAN. And three?

Mr. DOMINY. Yes.

Senator JORDAN. Another figure of \$2 million?

Mr. DOMINY. Yes.

Senator JORDAN. And the 19 covers all three sections?

Mr. DOMINY. Yes.

Senator JORDAN. Then as this contract is rewritten the present set-

tlers on sections two and three will have this advantage which up to now they do not enjoy—they will have the power subsidy payments in the order of 19-plus million dollars; is that correct?

Mr. DOMINY. That is correct. You said sections two and three. It is sections one and two.

Senator JORDAN. Sections one and two; yes. That is correct. They will get credit for Fish and Wildlife of 1½ million in excess of that.

Mr. DOMINY. Of course, this is in addition.

Senator JORDAN. That is right. The way the contract stands now?

Mr. DOMINY. I follow you. You are correct.

Senator JORDAN. All right. In addition to that these present settlers will be given a priority in buying the 8,800 acres or the 11,000 acres, whichever figure you calculate it to be. Either one that is to be disposed of. To get the record straight about what the whole thing will look at if this bill becomes law.

Mr. DOMINY. As usual you understand it fully.

Senator JORDAN. Thank you.

Senator ANDERSON. Senator Hansen.

Senator HANSEN. Commissioner Dominy, there have been several questions asked as to the contribution that the Government would be called upon to make if the bill should become law. And you have made reasonable responses to those questions. I would like to ask you what is the loss to the Federal Government which has now increased throughout the years, if you have that figure before you, and if you may know it, plus the amount of money that went into the buy-out—how much will be lost in this way?

Mr. DOMINY. The buy-out cost about \$3,200,000. Of course we have an investment in canals and laterals and drains that amount to—

Mr. LANGLEY. The additional total Federal investment is about \$25 million now with certain repayment recoveries.

Mr. DOMINY. Does this include the first and third?

Mr. LANGLEY. The whole thing.

Senator HANSEN. Could you from the top of your head allocate to the third division a reasonable share of the total investment that will be—

Mr. DOMINY. Let me give you a financial breakdown of the costs for the first and second divisions and the third division and how it is incorporated here in this package.

Senator HANSEN. You mean when you have time to do it?

Mr. DOMINY. Yes. We do not have it exactly broken down that way.

Senator HANSEN. I think it is important because it seems to me, really, that our purpose here today is not to seek errors that we have made in the past, but rather it is to see how best we can pick up the pieces and put them back together to contribute to the economy of Wyoming and to the strengthening of America.

Do your figures indicate, or have you worked up some suggestions so far as the cost-benefit ratios are concerned?

Mr. DOMINY. Not exactly, as we would on a new project coming up for original authorization, but we can develop a figure.

Senator HANSEN. If you could, I suggest, Mr. Commissioner, that it will be helpful, too, because the Congress would like to see what

our options are—how much we are going to lose—how much is down the drain now and will not be retrieved unless we take steps to go into the whole project and to incorporate those lands, those 8,913 acres on which tile has been installed and so forth. I subscribe to the response that you made, insofar as Senator Simpson's testimony is concerned. I think it was broadly generalized testimony. And obviously it could not deal specifically with separate sections of the project. I share your regard in that respect.

(The information requested is as follows:)

RIVERTON PROJECT INVESTMENT AND REPAYMENT, DECEMBER 1967

Item	Total costs	Irrigation facilities allocations				Fish and wildlife	Power
		Midvale 1st and 2d divisions	3d division	Cottonwood Bench and Muddy Ridge	Other revenues and credits		
Project investment, June 30, 1966.....	\$30,400,764	\$10,619,618	\$10,996,041	\$6,926,278	\$1,360,586	0	\$28,241
Project repayment and credits:							
Reimbursable:							
Water users contract (108 years).....	9,660,231	9,680,281					
Power revenues.....	926,877						926,877
Contributions and other revenues.....	414,840	62,976	140,791		211,073		
Nonreimbursable:							
Land costs.....	4,050,888		3,118,595		932,303		
Administration of Public Law 83-258.....	116,501	116,501					
Report requested by 87th Cong.....	25,992		25,992				
Chargeoff, unproductive lands.....	817,757	817,757					
Total, repayment and credits.....	16,033,146	10,677,515	3,285,387	0	1,143,376	0	926,877
Surplus or (deficit).....	(14,367,618)	57,897	(7,680,663)	(6,926,278)	(217,210)	0	398,636
In accordance with S. 670:							
Project investment, June 30, 1966.....	30,400,764	10,619,618	10,966,041	6,926,728	1,360,586	0	528,241
Estimate for additional construction:							
Midvale area.....	11,103,060	11,103,000	0				
Fish and wildlife facilities.....	1,565,900						\$1,565,900
Total costs.....	43,069,664	21,722,618	10,966,041	6,926,728	1,360,586	1,565,900	528,241
Project repayment and credits:							
Reimbursable:							
Power revenues.....	528,241						528,241
Water users contracts (50 years) 1.....	4,152,330	3,474,940	67,390				
Power revenues, Pilot Butte 1.....	497,563	416,089	81,465				
Missouri River Basin power.....	19,475,648	16,897,322	1,775,316		1,203,010		
Contributions and other revenues.....	157,576				157,576		
Wyoming Game and Fish Commission.....	782,950						782,950
Nonreimbursable:							
Land costs.....	4,626,989		4,262,980				
Administration of Public Law 83-258.....	116,501	116,501					
Report requested by 87th Cong.....	25,992		25,992				
Chargeoff, unproductive land.....	11,886,933	817,757	4,142,898	6,926,278			
Fish and wildlife facilities.....	782,950						782,950
Total repayment and credits.....	43,069,664	21,722,618	10,966,041	6,926,278	1,360,586	1,565,900	528,241

* Distributed on basis of acreage.

PF-65 BUREAU OF RECLAMATION

PROJECT DATA SHEET

REGION		Project and State		Completion Date	% Complete	Date
RIVERTON UNIT, MISSOURI RIVER BASIN PROJECT, WORKING		Project and State			1/	12/4/57
AUTHORIZATION		Riverton Project, June 5, 1920 (BIA 1917), proposed legislation for authorization as Missouri River Basin that is pending, S.670		BC RATIO 1.78		Date 12/4/57
LAND CERTIFICATION		Not required		DEFINITE PLAN REPORT		
SUMMARIZED FINANCIAL DATA						
Total Federal Obligations	\$ 12,688,900	Allocations to June 30, 19	\$	---	---	---
Net Property and Other Transfers	30,400,704	Allocations for F.Y. 19	---	---	---	---
Cash Advances--Non-Federal Adjustment	---	Initial Underfinancing F.Y. 19	---	---	---	---
Total to be Allocated	\$ 13,089,604	Balance to Complete after F.Y. 19	\$	---	---	---
ALLOCATIONS		AMOUNTS PER ACRE				
Irrigation	\$ 24,689,317	Amount Repaid by Irrigators	\$ 4,152,330	Irrig. Invest. per Acre	\$ 1.53	Payment Capacity per Acre
Power	228,241	Amount Repaid by Power	20,272,211	Repayment of investment per acre:		4.60
Fish & W.L.	1,207,600	By Cost & Fish Comm.	732,950	By Irrigators	\$	76
Land purchase	4,204,280	Power Interest, paid by power	536,241	By Power Revenues	\$	374
Geographic-improve-	12,029,406	Equipment depn., to O&M	17,192,588	By Other Revenues		3
ductive lands	---	Non-reimbursable	---	Other Revenues		4.60
etc.-total	\$ 43,069,604	Total	\$ 43,069,604	Total	\$	4.60
STATUS OF REPAYMENT CONTRACT: Original repayment contract on Riverton Project dated 2-12-31. Ammendatory contract dated 6-26-52, adopted 1950 land classification and consolidated all obligations to 12-31-51. Ammendatory R&B contract executed 9-6-56. A further amendatory contract will be executed immediately following enactment of enabling legislation as an R&B Unit.						
DESCRIPTION: The project is located in Fremont County, Wyoming, on the ceded portion of the Wind River Indian Reservation northwest of the town of Riverton. This is a multipurpose unit which provides a full water supply for livestock and irrigated land, and a power supply from Flitcher Lake. The project was authorized by Act of Congress, July 1, 1917, and is being developed by the Bureau of Reclamation. The project consists of 27,000 acres of irrigable land, 1,000 acres of pasture land, and 2,000 acres of timber land. The project is situated in the Wind River Valley, which is one of the most fertile valleys in the West. The project is one of the most important projects in the West. The project is one of the most important projects in the West. The project is one of the most important projects in the West. The project is one of the most important projects in the West.						
The crops presently grown are cereals, forage, and cash crops of beans and sugar beets. It is anticipated that during construction and upon completion the same crops will be produced.						

1 Ratio based on direct benefits is—

100-year analysis	1.26
50-year analysis	1.08
Chargoffs for unproductive lands, etc.	
Chargoffs authorized by act of June 23, 1952 (66 Stat. 151)	\$817,757
Chargoffs anticipated under S. 670 (88th Cong.)	11,069,176
Nonreimbursable administrative expense of farm unit exchange for Public Law 83-258	116,501
Nonreimbursable investigations requested in H. Doc. 1728, 87th Cong., and reported to 88th Cong.	25,992
Total	12,029,426

3 Nonreimbursable:

Fish and wildlife	\$782,950
Chargoffs, etc.	12,029,426
Indian land cost, Public Law 83-284	1,034,450
Farm unit purchases, Public Law 88-278	3,208,550

Total

17,075,356

4 Work completed on Riverton project under the Riverton construction program includes construction of a powerplant, 3 canals, and irrigation facilities consisting of canals, laterals and drains, and related facilities. The R. & B. program consisted of rehabilitating the Bull Lake and Pilot Butte Dams, and the irrigation facilities in the 1st and 2d divisions.
 5 New work involved includes construction of modern drainage installations, lining of canals and laterals in certain reaches, and replacement or modification of many structures built 30 to 40 years ago.

Senator HANSEN. If I may turn to another subject. Do you have a copy, Commissioner Dominy, of the wire that was sent by the Arapahoe and Shoshones?

Mr. DOMINY. I had a chance to read it a few minutes ago. I do have a copy here now; yes, sir.

Senator HANSEN. If I may, and it has already been incorporated into the record, I would like to invite your comments on the points brought up on the second page of that telegram. Would you care to comment on that?

Mr. DOMINY. Mr. Langley has personally followed this problem of management of lands that we have jurisdiction of in connection with these projects and has for a long time. So he is more familiar in detail with this than I am and I would like to have him respond to your questions on this.

Mr. LANGLEY. First, I would like to point out that Public Law 284, in the 83d Congress, which was in 1953, legislation was enacted under which the tribes were awarded something over \$1 million for the former reservation lands, and all of the rights and entitlements to those lands were extinguished. It was only by coincidence that one lessee, by signing several leases, acquired a large block and percentages, of all of the grazing leases that are involved here. He was notified well in advance—March 1965—that his pastures were being overgrazed, that we did not consider it equitable for one individual to have 62,000 acres corralled in one lease, that the benefit of the project lands should go as near as possible equitably to all of the project people. In keeping with that notice to him when his lease ran out and all of the leases he had acquired by assignment ran out on October 14, 1966, the lease was cancelled.

We, by an agreement with the district involving policy we follow in many places where we are holding this type of public land, transferred the administration of the leasing of those lands for grazing purposes to the Midvale District. The revenues from the grazing still come to the Bureau of Reclamation. The agreement permits, as I recall the figures, that the district hold up to 10 percent of lease receipts for administrative costs.

Those lands at the present time have been held entirely out of grazing for a full year because of the overgrazing that has taken place that I have spoken about. By next year, next spring, we hope that the district will be able to have some limited grazing back on these lands.

That is the story of the grazing that is involved here.

But I want to point out again that all of the rights and any priorities of the Indians were all closed out by the Congress by Public Law 284 of the 83d Congress, except the mineral rights. The Indians have retained the mineral rights.

Senator HANSEN. Does the Bureau have any long-range plans for the ultimate disposal of this grazing land? That is, of the grazing tracts?

Mr. LANGLEY. On the grazing tracts, like all of these project resources, we testified in 1964 that we felt that on all of these we should follow a cautious, slow policy. That is exactly what we followed in the leasing of the present 8,000 some acres to existing farmers—let

them demonstrate the change and convert slowly as demonstrated success proves we should move. These grazing lands are in that same category. They should supplement the irrigated land in this livestock economy.

Senator HANSEN. As I understand you, Mr. Langley, aside from the minerals which I understand you to say have been retained by the tribes, it is the position of the Bureau that the Indians have no right, title, et cetera, to the land at all?

Mr. LANGLEY. This is correct. We have reviewed this thoroughly. The office of the Department's solicitor concurs in this. We addressed a letter to this committee on that subject dated October 24, 1966.

Senator HANSEN. I wonder if I may suggest, Mr. Langley, this: I am familiar with the position that has been made and the claim that has been made. I think, though, that this wire that I have, to which we have been referring, is somewhat different.

Do not think now in terms of the contentions made by this gentleman—I assume you were doing this—that you were addressing yourself to this wire from the tribes—do I understand you to say that it is the Bureau's position that the tribes, in addition to any right that this gentleman may have had, have no right excepting as to the mineral rights?

Mr. LANGLEY. That is correct, sir. The tribes' representative came in and met with the Bureau of Indian Affairs, the Bureau of Reclamation, the Solicitor's office on several occasions, and we examined this in some detail. That is our position.

Senator HANSEN. I do not think that I have anything else, Mr. Chairman. I will appreciate, as I am sure the other members of the committee will, the information you have mentioned which would be helpful to us, that is, an allocation of the costs as to the investment which has been made and how much would be lost and what the benefits would be.

Mr. DOMINY. We will work up that statement broken down by first and second and third divisions and give it to the committee very promptly.

Senator HANSEN. Thank you very much.

May I just say, too, that I would like to tell you how much I appreciate your cooperation. I do not need to tell the members of this committee that Mr. Dominy has been a graduate of the University of Wyoming. He understands our problems and our difficulties out there very well. We consider ourselves fortunate to have a man with your background occupying the very important post that you do occupy. We appreciate the work of all of you and the great help that all of you people have given us.

Mr. DOMINY. Thank you.

Senator ANDERSON. What was the citation that you gave as to the handling of the situation on the water?

Mr. DOMINY. It is under section 9 of the Reclamation Project Act of August 4, 1939.

Senator ANDERSON. What is the other one—I am trying to get the reference to it? The law stated 1964, 1965, and 1966. How did you do it in 1967? By what authority?

Mr. LANGLEY. Section 2 of the March 10, 1964 act provides that the Secretary—

Senator ANDERSON. That is what we were discussing.

Mr. LANGLEY. Do you have it there now?

Senator ANDERSON. Go ahead.

Mr. LANGLEY. That provides that the Secretary is authorized to continue the delivery of water to the lands of the third division during the calendar years of 1964, 1965, 1966, as under the provisions of section 9, subsection (d) (1) of the Reclamation Projects Act of 1939.

Let me pause right there. I do not have it in front of me, but if you will look at section 9(d) (1) of the 1939 act, I am sure that you will find the provision that provides a limitation of 10-year development period during which you can deliver water to private land without a repayment contract.

Senator ANDERSON. Which has long ceased.

Mr. LANGLEY. That is right. So you have to look elsewhere for authority to deliver water when you are talking about public lands. Once it becomes all public lands section 2 of the March 10, 1964 act does not cover it.

Mr. DOMINY. At the time that this bill that we are reading from was enacted, authorizing the purchase, certainly it was contemplated that only part of the land would be purchased, so now we have to turn to section 10 of the 1939 act for the authority to lease when they become public lands.

Go ahead.

Mr. LANGLEY. Over in section 10 of the 1939 act it provides that the Secretary in his discretion may grant leases, licenses, easements, et cetera. What we do when we lease irrigable lands and serve them with water is to get the greatest return to the United States.

Senator ANDERSON. What about 1967 as to the water?

Mr. LANGLEY. It is public land in 1967.

Senator ANDERSON. That is your citation?

Mr. LANGLEY. Yes, sir.

Senator ANDERSON. Will you furnish us a memorandum as to what could be done in 1967? Would you mind giving us a written statement as to why this was used in 1967?

Mr. LANGLEY. Yes, sir; we can supply the committee with that. I will give you the date of the letter in just a moment that we did send.

Mr. DOMINY. We furnished a letter to this committee, Senator Anderson, under date of August 19, 1966.

Senator ANDERSON. Would you supply us with a copy of the letter?

Mr. DOMINY. We will give you another copy of that. The pertinent section that is cited in that letter reads, subsection (d) (1) of section 9 of the Reclamation Projects Act of 1939 provides that the Secretary may—this authority relates to the delivery of water to land in private ownership of Government-owned land made available for disposition under the general homestead law.

Senator ANDERSON. That does not apply to either one.

Mr. DOMINY. It is point out below, however, that the United States has acquired title to all but 80 acres of the lands of the Third Division of the Riverton project and they are now being held in Government ownership pending congressional action. Accordingly we are of the view that it was not the intention of the Congress in passing the act of March to prohibit the delivery of irrigation water after 1966, with the lands in Government ownership, and made available for temporary

use under the leasing program. Irrigation water has historically been made available to leased Government land on several irrigation projects pending their ultimate use for project purposes. We have the Solicitor's view that these are no different once they become in Federal ownership than any other Federal land.

Senator ANDERSON. Would you send a copy of the memorandum to us? I would like to have it.

Mr. DOMINY. Yes, sir.

(The document referred to follows:)

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 19, 1966.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: You have previously been furnished with a copy of our letters of July 11, 1966, to the President of the Senate and the Speaker of the House advising that there are sufficient lands on the third division of the Riverton Federal reclamation project for sustained agricultural production under irrigation use to form an economical, feasible unit. The information contained in the letter of July 11 was submitted as required by the Act of March 10, 1964 (78 Stat. 156). That Act also authorized the continuance of water delivery to the lands of the third division during calendar years 1964, 1965, and 1966, in accordance with the provisions of Section 9, subsection d(1) of the Reclamation Project Act of 1939, but without regard to the time limit therein specified.

Subsection d(1) of Section 9 of the Reclamation Project Act of 1939 provides that the Secretary may fix a development period for any irrigation block of not to exceed 10 years from and including the first calendar year in which water is delivered to the lands. This authority relates to the delivery of water to lands in private ownership or Government-owned lands made available for entry or disposition under the general homestead and Reclamation laws. As pointed out below, however, the United States has acquired title to all but 80 acres of the lands of the third division of the Riverton project and they are being held in Government ownership pending Congressional action on S. 1746 or similar legislation. Accordingly, we are of the view that it was not the intention of the Congress in passing the Act of March 10, 1964, to prohibit the delivery of irrigation water after 1966 to lands in Government ownership and made available for temporary use under a leasing program. Irrigation water has historically been made available to leased Government lands on Federal irrigation projects pending their ultimate use for project purposes.

By letter of June 25, 1964, we advised the President pro tempore of the Senate and the Speaker of the House of Representatives that options had been secured looking towards the purchase by the United States of all but approximately 80 acres of privately owned lands on the third division of the Riverton project. Accordingly, title to all of the land on the third division, with the exception of the aforementioned 80-acre tract, is now held by the United States. This amounts to approximately 25,080 acres, the major portion of which has been leased during calendar years 1965 and 1966 to project landowners residing within the Midvale Irrigation District.

It is not only desirable, but highly essential that the Government-owned lands on the third division continue to be utilized for grazing and agricultural purposes until action is taken by the Congress on S. 1746 or similar legislation. Accordingly, it is proposed to again lease the lands for calendar year 1967 and to furnish irrigation water to the leased lands. The leases will provide for a return to the United States of funds sufficient to cover all operations and maintenance costs involved in supplying the water to the leased lands, as well as the monetary return for the leasehold interest in the property. We consider that the delivery of water to these lands in Government ownership is consistent with and in accordance with the Federal Reclamation laws as amended and supplemented.

An identical letter is being sent to the Chairman of the House Interior and Insular Affairs Committee.

Sincerely yours,

KENNETH HOLUM,
Assistant Secretary of the Interior.

Senator ANDERSON. Thank you very much.
Our next witness is Mr. Donald White, attorney with the board of commissioners of the Midvale Irrigation District.

STATEMENT OF DONALD WHITE, ATTORNEY, BOARD OF COMMISSIONERS, MIDVALE IRRIGATION DISTRICT

Mr. WHITE. Mr. Chairman, if I may, I will preface my individual remarks with an opening statement covering in a general way the testimony of all of the members who will testify with respect to the panel for the Midvale Irrigation District.

The present legislation (S. 670 and H.R. 3062) seeks to offer a solution to several very difficult problems existing on the Riverton reclamation project. Midvale Irrigation District, as the only contracting agency in existence on the Riverton reclamation project, has recognized that the entire project, from the beginning, should have been under one irrigation district. Unfortunately, when third division was developed, the water users chose to form their own separate water district and Midvale, at this point, concerned itself with the first and second divisions exclusively. Since the act of March 10, 1964 (88-270), third division's problems have become Midvale's problems.

All three members of the board of commissioners of the Midvale Irrigation District and the district manager—and I might add the representative of another water user from Midvale project—will testify in support of this legislation. They speak for all of the water users on the Riverton reclamation project. At the last three annual meetings of the district, the water users have unanimously supported this legislation and have gone on record as endorsing the efforts of the board of commissioners in furthering the passage of this bill.

Midvale has very serious problems of its own in regard to drainage, canal and lateral lining, and silt control. These matters will be discussed in more detail by Mr. Fred Anglen, president of the Midvale board of commissioners. The irrigation distribution system on Midvale is many years older than construction on third division. A serious problem exists today on the Midvale portion of the project with respect to old and deteriorating structures which need immediate replacement or repair. This portion of the requested rehabilitation program for Midvale will be discussed by Mr. Carl Welty, member of the board of commissioners of the Midvale Irrigation District.

Mr. Ed Bogacz, the third member of the board of commissioners of Midvale Irrigation District, will discuss the features of the proposed legislation that have to do with returning the lands on third division to private ownership. Mr. Bogacz has leased a unit on the third division as a supplement to his Midvale farm for the past 3 years and is able to present to this committee first-hand knowledge as to the productivity of the third division, the condition of the third division irrigation distribution system and the general plan for returning these lands to private ownership.

Mr. Roy Reid, manager of the Midvale Irrigation District, will discuss the general operation of the Midvale Irrigation District, the experiences Midvale has had with respect to the operation and maintenance of third division for the past two seasons, the condition of the irrigation distribution system throughout the entire Riverton reclama-

tion project, and other matters relating to the day-to-day operation of a large irrigation project.

As attorney for the Midvale Irrigation District, it will be my pleasure to discuss the proposed legislation, section by section, and relate to this committee the thinking of the Midvale Irrigation District on the various features of this bill. The commissioners of Midvale have considered the many complex problems existing on Midvale and the rest of the Riverton reclamation project for many years and they believe that this legislation offers a plausible and practicable solution to the ills confronting the entire project.

The commissioners believe that all of the land within the boundaries of the Riverton reclamation project is fit for sustained irrigated farming or for livestock grazing and all of the land is absolutely essential to make an economically feasible project. They believe that irrigated farming alone is not the answer. A livestock operation alone is not the solution. But the combination of these pursuits on adequate land units by experienced operators is the answer.

The Midvale Irrigation District offers through this legislation many years experience as a responsible irrigation district which has been in existence since June 1, 1921. The Midvale Irrigation District further offers experienced farmers who are experienced irrigators with proven ability and success and who are familiar with Wyoming's arid soils, high altitudes, short growing seasons and limited crop adaptability.

The Midvale portion of the project needs to be rehabilitated and completed because it has proven through the years to be an economically feasible farm area and fit for sustained irrigated farming. The remainder of the Riverton reclamation project is extremely important to a diversified farming area. We need third division for some irrigated farming and for pasture and grazing. We need the Cottonwood Bench area for hay and grazing and for future irrigated farming. We need the undeveloped Muddy Ridge areas for grazing now and for future agriculture development. The Midvale Board of Commissioners would like to take this opportunity to thank the members of this committee for scheduling this hearing on this legislation. They would also like the committee to know that they have traveled many miles and devoted many hours over several years in support of this legislation. They are totally in support of the bill and sincerely request this committee's sincere consideration of it.

These gentlemen would like the committee to know that they have traveled many hours and have devoted many hours over several years in supporting this legislation. They are totally in support of the bill and sincerely request this committee to give serious consideration to it. Now, if I may, I will just proceed into my own statement.

Senator ANDERSON. If you will, we will take a break now, and we will be back here at 2 o'clock this afternoon.

(Whereupon, at 12:50 p.m. the committee recessed to reconvene at 2 p.m. of the same day.)

AFTERNOON SESSION

Senator HANSEN. The hearing will please come to order. I think just as we recessed you were prepared to proceed with your personal statement; is that right, Mr. White?

STATEMENT OF DONALD WHITE, ATTORNEY FOR MIDVALE; ACCOMPANIED BY FRED ANGLIN, PRESIDENT OF THE BOARD OF COMMISSIONERS OF THE MIDVALE IRRIGATION DISTRICT; CARL WELTY, MEMBER OF THE BOARD; EDWARD L. BOGACZ, MEMBER OF THE BOARD; ROY REID, PROJECT MANAGER; AND GIDEON W. DAVISON, PRESIDENT, COTTONWOOD BENCH ASSOCIATION, RIVERTON, WYO.—Resumed

Mr. WHITE. That is correct, Senator.

Senator HANSEN. Mr. Don White, attorney for Midvale. You may proceed.

Mr. WHITE. Mr. Chairman, if I may, I would like to state that we have some color slides that we had brought with us of the Riverton reclamation project, showing some of the canal system and the irrigation system, the structures, the diversion dam, and some of the crops in the process of being grown on the project that may be of benefit to the committee, and we would like at this time to introduce those colored slides into the record, for the committee's use, rather than show them at this time, if we may.

Senator HANSEN. Without objection, they will be received.

(The colored slides above referred to will be found in the files of the subcommittee.)

Mr. WHITE. Mr. Chairman and members of the committee, my name is Donald P. White. I am a practicing attorney in Riverton, Wyo. I have been counsel for the Midvale Irrigation District since August of 1962.

S. 670 is a comprehensive bill which, we believe, offers a solution to the problems existing on the Riverton reclamation project. The Midvale Irrigation District supports the entire bill but it may be helpful to this committee to know how the district views each section of the proposed legislation.

Section 1 of the bill would reauthorize the entire Riverton Federal reclamation project as a unit of the Missouri River Basin project. This would permit the consolidated project to be placed under one contracting organization, the Midvale Irrigation District, now administering the first two divisions. Midvale would absorb the lands of the third division and would assume operation and maintenance responsibilities for the entire project. The simplicity of administration, the economy and efficiency gained and other advantages are obvious in having one contracting organization for the entire project.

The Midvale Irrigation District can assume the additional responsibilities of administration, operating and maintaining additional lands without greatly increasing the total cost of operation of the district. Fixed costs, such as depreciation, will increase very little with the additional workload that Midvale would assume, because these fixed costs will be spread over more acres, thereby benefiting all the farmers involved.

Midvale has handled the operation and maintenance of the third division for the past 2 years under contract with the Bureau of Reclamation. The arrangement has been successful. The district has proved its ability to successfully deliver water to the third division

area and maintain the third division irrigation system, in addition to its regular operation and maintenance of the first and second divisions of the project.

If Midvale were enlarged to include the lands of the third division, the district would have the ability to better equip itself with machinery and maintain qualified management and employees without increasing the assessments to the individual farmers since these costs would be shared by the lands of the third division petitioned into the district.

Mr. Roy Reid, manager of the Midvale Irrigation District, will deal in some detail with the actual costs of operation and maintenance of Midvale alone, and including third division.

Subsection 2(a) of S. 670 would authorize the Secretary to replace all existing repayment contracts by a single amendatory repayment contract with Midvale Irrigation District. The Midvale Irrigation District would be the one contracting organization representing the entire Riverton unit. We believe that Midvale's past payment performance on its various repayment contracts exhibits the district's fiscal responsibility.

Since its original contract with the United States dated February 12, 1931, the district has an unblemished record of paying the annual construction charges called for each year. The district has paid the Government a total sum of \$1,222,104.68 pursuant to its various repayment contracts. I would like to introduce at this time for the record an exhibit showing the amounts paid by Midvale Irrigation District to the Government each year and the total amount repaid to date.

That exhibit, Mr. Chairman, is attached to my statement.

Senator HANSEN. If I could interrupt for just a moment, Mr. White, let me say that your statement will be included in full in the record, and I suspect maybe that in light of Commissioner Dominy's presentation this morning, perhaps in the interests of time we could save some time if you would be willing to have your statement included in the record. I note that Senator Jordan is with us and anticipating that there may be some rolleall votes later this afternoon, and not knowing just when those votes may be taken, could I suggest, with the understanding that your statement will be in the record, that you make any other observations, if you have any that you would like to make; or if not, perhaps at this time we might see the slides that you mentioned earlier.

Mr. WHITE. That would be very good, Mr. Chairman, with your understanding, then, I will introduce my statement into the record, and make one comment, if I may, on the statement, and that is with respect to—

Senator HANSEN. Let me add this before you go further, to say if you would like to summarize, or if there are any points that you would care to emphasize, it will all be in the record, but I appreciate that perhaps you might like to call particular attention to something, and if that is the case, why please feel free to do so.

We are not trying to deny you the opportunity. I know you have come a long way. And we appreciate having you here. I was just thinking that we might get called out of here, and I wanted to have Senator Jordan and myself given the opportunity to hear from each person, and it could get kind of busy this afternoon.

Mr. WHITE. Thank you, Mr. Chairman. I will, if I may, touch on just several points that I would like to stress, and then go ahead.

Senator HANSEN. Fine.

Mr. WHITE. In addition to the annual payments, Midvale has established an emergency operation and maintenance reserve fund as required by paragraph 10 of its 1952 repayment contract. This fund created through operation and maintenance assessment funds now totals \$145,309.17.

Subsection 2(b) authorizes a 50-year repayment period for the amendatory contract. The district's unmatured liability to the United States is \$8,457,289.29 for construction and a rehabilitation and betterment program. Its 1967 repayment to the Government was \$78,793.03. At Midvale's present rate of payment of the contract dated June 26, 1952, and the amendatory contract dated September 6, 1956, it will take approximately 107 years for the district to pay its contractual obligation to the Government.

This contract repayment period is unrealistic and should be limited to a 50-year term in order that this project be put on the same or similar footing as the new reclamation projects which recognize that the cost of construction today cannot be repaid from agriculture alone.

Subsection 2(c) authorizes the annual repayment during the 10-year development period to be the amount paid under Midvale 1952 amendatory repayment contract. Thereafter, the annual repayment for the last 40 years of the proposed amendatory repayment contract would be based upon the unit lands' ability to repay.

Subsection 2(d) provides for credit to the district for amounts paid on the repayment obligations under previous contracts and a commensurate reduction in the repayment period of individual tracts to reflect credit for amounts formerly paid by the district and attributable to such tracts. This would give a credit to the older Midvale farms who have already paid substantial sums under Midvale's various repayment contracts to the Government.

Subsection 2(e) provides that for the first 10 years of the repayment period of the proposed amendatory repayment contract, the annual obligation of the District would be reduced by the amounts the district has credited to water users who have provided drainage tile at their own expense, to a total not to exceed \$50,000. The district and water users together have contributed \$62,976 for badly needed tile drainage and Midvale farmers themselves have spent almost \$50,000 for drain tile to be installed on their own individual farms.

In the future drainage programs, landowners will not be required to furnish tile at their own expense and it seems equitable to give credit to those who have already contributed for such purposes. Pursuant to this subsection, the irrigation district will credit individual water charges over a 10-year period until the farmers' contributions have been paid and the United States will, in turn, reduce the District's obligation by the amounts so credited.

Subsection 3(a) provides nonreimbursable treatment for construction and rehabilitation and betterment costs of the unit assignable to lands classified as permanently unproductive.

Subsection 3(b) permits application of net revenues of the Riverton Unit to irrigation costs which are not assigned to be repaid by water users.

Subsection 3(c), that net revenues of the Missouri River Basin project would be applied to reimbursable costs not assigned to be repaid by irrigators or returned from net revenues of the unit.

Section 4 modifies the excess land provisions of the Federal reclamation laws to permit delivery of water to owners of 160 acres of class 1 land or their equivalent in other land classes.

Public Law 88-278 permitted modification of the excess-land provisions of lands in the third division alone. This bill would extend that modification to the entire unit and is justified by the same conditions—all these lands are located at high altitudes with a relatively short growing season and are limited in the crops that can be grown.

This land-equivalent formula is set out in the map attached to the tentative firm unit layout for third division has been introduced by Mr. Ed Bogacz, commissioner for Midvale Irrigation District. The application of this formula can best be seen by the map of the proposed farm units for third division. In order to effectuate the full intent of this legislation, this 160-acre land-equivalent formula will be necessary to put present Midvale farmers in position to purchase the third division lands if and when they are sold by the Government.

Subsection 5(a) authorizes the Secretary to sell lands on the unit at public or private sale in tracts of any size at not less than their appraised, then fair market value, so long as no one owner holds more than 160 acres of class 1 lands or their equivalent as classified under section 4 of the bill.

This section, authorizing the sale of lands on the unit, is extremely important to the economic future of the project, city of Riverton, Fremont County, and the entire State of Wyoming.

The purchase of the third division lands by the Government in 1964 resulted in serious consequences to many businesses and political subdivisions of the State of Wyoming. The Riverton Valley Electric Association, a rural electric cooperative serving Fremont County, has 33 miles of electrical distribution lines with an investment of approximately \$80,000 in the third division area. Before the buy-out it had 94 services and now has 29 active meters.

The loss of annual revenue from 65 idle meters is estimated to be \$9,400 and creates a burden on the members of the co-op to repay the REA debt service which includes costs of facilities that are now unproductive.

The third division buy-out affected the Pavillion School District No. 32 and the Shoshoni School District No. 24. These districts suffered a loss of valuation and bonding capacity of \$329,554.

The net loss of dollar income to these school districts as a result of the decrease in assessed real and personal property valuation was over \$15,000. This income reduction came at a time when both districts were in desperate need of construction of new facilities.

The loss in assessed real and personal property valuation resulted in a substantial tax revenue loss to Fremont County. The board of commissioners were compelled to continue services such as road maintenance and weed control in the third division area without the benefit of compensating revenues.

The city of Riverton suffered serious consequences from the Government buy-out. There was a great deal of adverse publicity about the third division legislation which had a depressing effect on land values over the entire area. The business community immediately lost a large retail market represented by the farm families that left the area. Historically, Riverton has been a farm community and the loss of third division was a severe blow to its economy. The Riverton Chamber of Commerce never endorsed the third division buy-out and has consistently supported the present reauthorization bill from the beginning.

If I may, Mr. Chairman, I would like to introduce at this time a letter I have with me from the Riverton Chamber of Commerce, and a letter from the School District No. 32, from the office of County Commissioners of Fremont County. Those would be the three that I would introduce at this time.

Senator HANSEN. Without objection, they will all be received.
(The documents referred to, follow:)

RIVERTON CHAMBER OF COMMERCE,
Riverton Wyo.

Re Riverton reclamation project reauthorization (S. 670, H.R. 3062).

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: The Riverton Chamber of Commerce is pleased to lend its support to the legislation presently in Congress that would reauthorize the Riverton Reclamation Project. The Chamber has unanimously endorsed this legislation by Resolution.

Riverton is located in Fremont County, in west-central Wyoming. The county population is approximately 30,000. Riverton is the largest town in the County with an estimated population of 8500. The City of Riverton is located just south of the Riverton Reclamation Project.

Irrigated farming has been a mainstay of the Riverton economy during all of its sixty-one years. The U.S. Government opened the land for settlement in 1906, laying out the Riverton townsite to serve the needs of the homesteads which were drawn by lots. Those who won a homestead broke the land from the sagebrush. The pattern of development has been repeated over the years as the Midvale Irrigation District portion of the Project came in to being. Many Riverton people remember the excitement of the 1958-50 period when the Veterans of World War II, by the hundreds, applied for a chance at Third Division lands. At the time of this land opening, Midvale lands in Paradise Valley, Lost Wells Butte, Missouri Valley, Buckhorn Flats and the pavillion area had been under irrigation for a number of years. Some of these lands went wet and alkali showed plainly on others, but emerging from the continuing adjustment, came good farms, operated by people with experience and a desire to farm, plus the capital and the know-how to carry out their aspirations.

There were very few trade or service establishments in Riverton when the Project began. Estimates today indicate that there are about 300 business establishments. The Chamber of Commerce boasts of a membership of 197 members from the business community.

Many trades and service establishments in Riverton depend completely upon the agricultural community. Two creameries, four elevators, five farm-implement stores, a sales barn and a packing plant fall within this business category. Practically all other Riverton business establishments depend, to some degree, upon agriculture. Grocery stores, gasoline service stations, dry good stores, appliance stores, automobile and truck dealerships and banking institutions are among the major businesses in the last classification.

Many local people are employed by Government agencies who are directly connected with agriculture and the livestock industries. These agencies would include Farmers Home Administration, University of Wyoming Extension Service, Bu-

reau of Reclamation, Agricultural Stabilization and Conservation Service and the Soil Conservation Service.

From these observations it is quite evident that Riverton relies heavily upon the irrigated farming on the Riverton Reclamation Project for its economic well-being. The Riverton Chamber of Commerce acknowledges agriculture's contribution to the community and stands with those who have faith in the agricultural potential of the Project.

We wholeheartedly support S. 670 and H.R. 3062 and urge its immediate enactment into law.

Respectfully yours,

RIVERTON CHAMBER OF COMMERCE,
TED KINNEY, *President.*
JAY MCFARLAND,
Chairman, Agricultural Committee.

SCHOOL DISTRICT No. 32,
Pavillion, Wyo., September 27, 1967.

BOARD OF COMMISSIONERS,
Midvale Irrigation District,
Pavillion, Wyo.

GENTLEMEN: It has been brought to my attention that you might want to consider information regarding the effect of the removal of the Third Division lands from the tax rolls of the School District.

Initially the most serious problem was the loss of valuation and bonding capacity. This amounted to a direct loss of \$209,265 in real estate valuation in addition to the loss of personal property such as livestock, machinery, etc. Net loss of dollar income to the School District which has a tax rate of 35.6 mills was \$3,260 for real property valuation and approximately the same amount for personal property valuation or a total of \$7,500 per year. In addition to this the bonding capacity was lowered by \$20,000 during a time that it was needed for construction of new facilities.

Following the sale of Third Division lands the school experienced a decrease of 17% in enrollment. This decrease resulted in a net dollar loss of \$17,000 per year from state sources which are paid on the basis of average daily membership and census figures.

Not including the current year, the net loss of revenue over the past three years has amounted to approximately \$73,500. Since the School District has been at maximum mill levy for several years the loss has proved to be a serious handicap to the providing of satisfactory education for the remaining children of the School District.

Sincerely,

ROGER D. THORSON,
Superintendent.

OFFICE OF THE COUNTY COMMISSIONER,
Lander, Wyo., October 4, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: The Fremont County Board of Commissioners are extremely interested in the passage of the Riverton Reclamation Project reauthorization legislation (S.670 and H.R. 3062).

When the Third Division lands were purchased by the United States under the Act of March 10, 1964, Fremont County sustained a serious loss of tax revenue. In the Pavillion School District No. 32 there was a loss in assessed property valuation of \$211,410.00 and in the Shoshoni School District No. 24 there was a loss of \$118,144.00. This was a total loss of assessed property valuation for Fremont County of \$329,554.00.

The actual tax revenue loss in the Pavillion District was \$9,779.83 and in Shoshoni was \$5,797.33 for a combined total loss to Fremont County of \$15,577.16.

The reduction in tax revenue was a serious blow to Fremont County which was already having a difficult time in obtaining funds necessary to carry out traditional services to its citizens. County governmental services such as road re-

pair and maintenance and weed control had to be continued even though compensating revenues were unavailable from the Third Division area after the buy-out.

These lands have continued to produce crops and pasture livestock for the non-owning lessees. The federal government received \$41,460.00 in 1965; \$46,770.00 in 1966; and \$42,845.00 in 1967 income as lessor of these lands. Fremont County has received nothing while attempting to maintain basic governmental services in the area.

We think the lands should be returned to private ownership and put back on the tax rolls so that they can contribute their fair share in supporting local government.

FREMONT COUNTY BOARD OF COMMISSIONERS,
WALTER V. RHODES, *Chairman*.
W. E. PEARSON.
TOM COLEMAN.

Mr. WHITE. And one other comment I would like to make, Mr. Chairman, would be with respect to the financing of the lands on third division that would be returned to private ownership if this bill were enacted. I have letters from the U.S. Department of the Interior, the American National Bank of Riverton, the First National Bank of Riverton, and a letter from the Farmers Home Administration, from the Riverton office. These letters tend to support local interests in any financing-owner-operators on the third division, if these lands are placed in private ownership.

Senator HANSEN. Mr. White, I assume these letters to which you referred are all expressions of interest in the reactivation of these third division lands, as part of the project; am I right?

Mr. WHITE. That is correct, Mr. Chairman. They are expressions of interest. They are expressions of confidence in the productivity of the area from a financial point of view.

Senator HANSEN. You have called attention in your statement already to the adverse impact that this buy-out by the Government has had on the REA, on the school districts and on the county.

Mr. WHITE. That is correct, and these letters that have been introduced tend to bear on that issue.

Senator HANSEN. They will be received.

(The letters referred to follow:)

U. S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Riverton, Wyo., October 3, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: Mr. Edward Bogacz inquired regarding possible financing of the Third Division farm units in event legislation was enacted that would authorize sale of the land for continued irrigation. We contacted the Regional Office to determine what would be the possible Bureau of Reclamation financing. Although this matter has not been discussed with the Washington Office, it is presumed that at least the normal ten-year period of financing would be offered. At the present time, the interest rate on Bureau contracts is six percent per annum on the unpaid balance.

The Bureau of Reclamation would much prefer that financing on land purchase contracts be arranged with established Government or private financing agencies.

Sincerely yours,

ROY C. VAN DREW, *Project Manager.*

AMERICAN NATIONAL BANK OF RIVERTON,
Riverton Wyo., October 9, 1967.

MIDVALE BOARD OF COMMISSIONERS,
Pavillion, Wyo.

GENTLEMEN: Again it is my pleasure to give information and testimony on behalf of the Third Irrigation District, Riverton Reclamation Project. On October 31, 1961, I appeared and gave testimony before the United States Senate Interior and Insular Affairs Committee at the request of Senator J. J. Hickey. This testimony related to land values which I felt at that time and feel today compare favorably with other lands in the Riverton Reclamation Project.

Further, I gave testimony that "certain management practices vary, and this is evidenced by the fact that some farmers are successful on a particular farm unit whereas their predecessors have been unable to profitably produce from the same unit," and further, "Adequate capital and good business management as well as the individual farmer's ability to apply good agricultural practices and techniques to the land has spelled the difference between successes and failures that have taken place to date in the Third Irrigation District."

Now, just six years later, my faith in the Third Irrigation District is stronger than ever. As Vice President and as a director in the American National Bank of Riverton, I can say without reservation that I and all other officers here at the bank have expressed this same faith by furnishing capital for the leasing and operation of a number of those units in the Third Irrigation District for our customers. We will continue to furnish operating capital to farmers and ranchers who are our customers, and who would buy land in this district, for we believe in the future of this area just as strongly as we believe in the future of the whole Riverton Reclamation Project.

Sincerely,

JOHN R. BENESCH,
Vice President.

THE FIRST NATIONAL BANK,
Riverton, Wyo., October 6, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: Your inquiry regarding the availability of operating loans to farmers located on the Third Division was received.

At the present time, we are supplying operating loans to several farmers leasing property in this area, and we see no reason why we could not continue to make funds available to owners. In fact, we would consider our loans more secure to owner-operators.

It is our firm belief that there is a considerable amount of land in the Third Division area which has good productivity, and we are confident that this productivity could be considerably increased by private ownership.

Very truly yours,

HARMON H. WATT,
President.

U.S. DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Riverton, Wyo., October 2, 1967.

BOARD OF COMMISSIONERS,
Midvale Irrigation District,
Pavillion, Wyo.

GENTLEMEN: This agency is presently financing several leases on the Third Division with operating loans and their progress has been satisfactory.

If the Third Division is returned to private ownership, we anticipate financing the purchase of land to increase the size of present farms and to purchase individual economic units if any are sold on this basis.

The Farmers Home Administration has previously had real estate loans on

nearly every farm in the Third Division, and it is felt that the land set up to be irrigated under the proposed plan will prove economically feasible to the individual operators.

Sincerely yours,

DuWAYNE R. PFARR,
County Supervisor.

Mr. WHITE. Before authorizing the sale of lands on the Riverton project as encompassed in subsection 4(a) of the bill, I am certain that Congress would want to know what financing would be available to prospective purchasers of these third division lands.

The Bureau of Reclamation has indicated that the normal ten-year period of financing would be available at the prevailing interest rate on Bureau contracts which presently is 6 percent per annum on the unpaid balance.

The American National Bank of Riverton and the First National Bank of Riverton are presently extending operating loans to many of the third division permittees and have expressed their willingness to continue financial assistance to owner-operators, particularly, when the lands are returned to private ownership. The Riverton office of the Farmers Home Administration previously had real estate loans on nearly every farm on third division and would be available for real estate loans to prospective purchasers when these units are offered for sale.

The Midvale Irrigation District has received letters from the Bureau of Reclamation, American National Bank, First National Bank, and the Farmers Home Administration expressing their attitudes with respect to third division financing, which I have put into the record.

Subsection 5(b) gives a priority to resident landowners on the unit who have not sold their lands to the United States under Public Law 88-278—act of March 10, 1964. Those persons entitled to priority may purchase lands to supplement their existing farms.

This provision recognizes the importance of having experienced and qualified operators on the project. It is felt that the resident water users who presently own and actually operate their farms are the ones who will make a success of the balance of the project. They deserve the first opportunity to supplement their present operations with lands made available through this legislation.

Section 6 would bring the bill into line with the relevant portions of the recent Federal Water Project Recreation Act. Inclusion of fish and wildlife conservation and development and recreation as purposes of the Riverton unit would bring this unit more nearly in line with the multiple authorization of the Missouri River Basin project.

The inclusion of fish and wildlife conservation and development would further the long-range general plan of the Wyoming Fish and Game Commission, which now administers 10,539 acres of public lands on the Riverton project and which owns 2,280 acres of land on the project.

The total cost of this fish and wildlife development, when completed, would be approximately \$1.5 million, of which the State Game Commission has already expended approximately \$376,000.

On July 11, 1967, the Hon. Stanley K. Hathaway, Governor of Wyoming, forwarded a letter to the Hon. Stewart L. Udall, Secretary of the Interior, expressing an intent on behalf of the State

of Wyoming to participate in development of fish and wildlife conservation and regulation on the Riverton project pursuant to the Federal Water Project Recreation Act.

Thank you.

(The attachments referred to follow:)

Midvale irrigation district construction payments made to the United States of America

Payments on 1931 repayment contract and amendments thereto:	
Year:	Amount
1944 -----	\$37,589.59
1945 -----	36,974.19
1946 -----	36,829.12
1947 -----	55,328.81
1948 -----	58,035.64
1949 -----	77,091.37
1950 -----	(¹)
1951 -----	79,978.54
Total paid through 1951 -----	<u>381,827.26</u>

Payments on 1952 amendatory repayment contract:	
Year:	
1952 -----	82,546.03
1953 -----	45,183.06
1954 -----	44,895.02
1955 -----	44,637.90
1956 -----	44,688.41
1957 -----	44,232.34
1958 -----	20,992.74
1959 -----	51,075.49
1960 -----	51,426.40
1961 -----	53,929.90
1962 -----	53,484.68
1963 -----	54,415.99
1964 -----	54,579.42
1965 -----	57,603.06
1966 -----	57,793.95
1967 -----	57,913.34
1952 -----	<u>82,546.03</u>

Payments on 1956 amendatory repayment contract:	
Year:	
1967 -----	20,879.69
Total paid on 1956 contract -----	<u>20,879.69</u>

Total amount paid by Midvale to United States of America to date on all repayment contracts ----- 1,222,104.68

¹ No payment made. R. & B. contract Feb. 6, 1950, being negotiated.
² \$44,783.32 less \$23,790.58 which was transferred to other projects in connection with Public Law 258.

RIVERTON CHAMBER OF COMMERCE,
 Riverton, Wyo.

Re Riverton Reclamation Project Reauthorization (S. 670, H.R. 3062).
 MIDVALE IRRIGATION DISTRICT,
 Pavillion, Wyo.

GENTLEMEN: The Riverton Chamber of Commerce is pleased to lend its support to the legislation presently in Congress that would reauthorize the Riverton Reclamation Project. The Chamber has unanimously endorsed this legislation by Resolution.

Riverton is located in Fremont County, in west-central Wyoming. The county population is approximately 30,000. Riverton is the largest town in the County with an estimated population of 8500. The City of Riverton is located just south of the Riverton Reclamation Project.

Irrigated farming has been a mainstay of the Riverton economy during all of its sixty-one years. The U.S. Government opened the land for settlement in 1906, laying out the Riverton townsite to serve the needs of the homesteads which were drawn by lots. Those who won a homestead broke the land from the sagebrush. The pattern of development has been repeated over the years as the Midvale Irrigation District portion of the Project came in to being. Many Riverton people remember the excitement of the 1948-50 period when the Veterans of World War II, by the hundreds, applied for a chance at Third Division lands. At the time of this land opening, Midvale lands in Paradise Valley, Lost Wells Butte, Missouri Valley, Buckhorn Flats and the Pavillion area had been under irrigation for a number of years. Some of these lands went wet and alkali showed plainly on others, but emerging from the continuing adjustment, came good farms, operated by people with experience and a desire to farm, plus the capital and the know-how to carry out their aspirations.

There were very few trade or service establishments in Riverton when the Project began. Estimates today indicate that there about 300 business establishments. The Chamber of Commerce boasts of a membership of 197 members from the business community.

Many trades and service establishments in Riverton depend completely upon the agricultural community. Two creameries, four elevators, five farm-implement stores, a sales barn and a packing plant fall within this business category. Practically all other Riverton business establishments depend, to some degree, upon agriculture. Grocery stores, gasoline service stations, dry good stores, appliance stores, automobile and truck dealerships and banking institutions are among the major businesses in the last classification.

Many local people are employed by Government agencies who are directly connected with agriculture and the livestock industries. These agencies would include Farmers Home Administration, University of Wyoming Extension Service, Bureau of Reclamation Agricultural Stabilization and Conservation Service and the Soil Conservation Service.

From these observations it is quite evident that Riverton relies heavily upon the irrigated farming on the Riverton Reclamation Project for its economic well-being. The Riverton Chamber of Commerce acknowledges agriculture's contribution to the community and stands with those who have faith in the agricultural potential of the Project.

We wholeheartedly support S. 670 and H.R. 3062 and urge its immediate enactment into law.

Respectfully yours,

TED KINNEY, *President.*
JAY McFARLAND, *Chairman,*
Agricultural Committee.

SCHOOL DISTRICT No. 32,
Pavillion, Wyo., September 27, 1967.

BOARD OF COMMISSIONERS,
Midvale Irrigation District,
Pavillion, Wyo.

GENTLEMEN: It has been brought to my attention that you might want to consider information regarding the effect of the removal of the Third Division lands from the tax rolls of the School District.

Initially the most serious problem was the loss of valuation and bonding capacity. This amounted to a direct loss of \$209,265 in real estate valuation in addition to the loss of personal property such as livestock, machinery, etc. Net loss of dollar income to the School District which has a tax rate of 35.6 mills was \$3,260 for real property valuation and approximately the same amount for personal property valuation or a total of \$7,500 per year. In addition to this bonding capacity was lowered by \$20,000 during a time that it was needed for construction of new facilities.

Following the sale of Third Division lands the school experienced a decrease of 17% in enrollment. This decrease resulted in a net dollar loss of \$17,000 per

year from state sources which are paid on the basis of average daily membership and census figures.

Not including the current year, the net loss of revenue over the past three years has amounted to approximately \$73,500. Since the School District has been at maximum mill levy for several years the loss has proved to be a serious handicap to the providing of satisfactory education for the remaining children of the School District.

Sincerely,

ROGER D. THORSON, *Superintendent.*

OFFICE OF THE COUNTY COMMISSIONERS,
Lander Wyo., October 4, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: The Fremont County Board of Commissioners are extremely interested in the passage of the Riverton Reclamation Project reauthorization legislation (S.670 and H.R. 3062).

When the Third Division lands were purchased by the United States under the Act of March 10, 1964, Fremont County sustained a serious loss of tax revenue. In the Pavillion School District No. 32 there was a loss in assessed property valuation of \$211,410.00 and in the Shoshoni School District No. 24 there was a loss of \$118,144.00. This was a total loss of assessed property valuation for Fremont County of \$329,554.00.

The actual tax revenue loss in the Pavillion District was \$9,779.83 and in Shoshoni was \$5,797.33 for a combined total loss to Fremont County of \$15,577.16.

The reduction in tax revenue was a serious blow to Fremont County which was already having a difficult time in obtaining funds necessary to carry out traditional services to its citizens. County governmental services such as road repair and maintenance and weed control had to be continued even though compensating revenues were unavailable from the Third Division area after the buy-out.

These lands have continued to produce crops and pasture livestock for the non-owning lessees. The federal government received \$41,460.00 in 1965; \$46,770.00 in 1966; and \$42,845.00 in 1967 income as lessor of these lands. Fremont County has received nothing while attempting to maintain basic governmental services in the area.

We think the lands should be returned to private ownership and put back on the tax rolls so that they can contribute their fair share in supporting local government.

FREMONT COUNTY BOARD OF COMMISSIONERS,
WALTER V. RHODES, *Chairman*
W. E. PEARSON,
TOM COLEMAN.

DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
REGION 6, RIVERTON PROJECTS OFFICE,
Riverton, Wyo., October 3, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: Mr. Edward Bogacz inquired regarding possible financing of the Third Division farm units in event legislation was enacted that would authorize sale of the land for continued irrigation. We contacted the Regional Office to determine what would be the possible Bureau of Reclamation financing. Although this matter has not been discussed with the Washington Office, it is presumed that at least the normal ten-year period of financing would be offered. At the present time, the interest rate on Bureau contracts is six percent per annum on the unpaid balance.

The Bureau of Reclamation would much prefer that financing on land purchase contracts be arranged with established Government or private financing agencies.

Sincerely yours,

ROY C. VAN DREW, *Project Manager.*

AMERICAN NATIONAL BANK OF RIVERTON,
Riverton, Wyo., October 9, 1967.

MIDVALE BOARD OF COMMISSIONERS,
Pavillion, Wyo.

GENTLEMEN: Again it is my pleasure to give information and testimony on behalf of the Third Irrigation District, Riverton Reclamation Project. On October 31, 1961, I appeared and gave testimony before the United States Senate Interior and Insular Affairs Committee at the request of Senator J. J. Hickey. This testimony related to land values which I felt at that time and feel today compare favorably with other lands in the Riverton Reclamation Project.

Further, I gave testimony that "certain management practices vary, and this is evidenced by the fact that some farmers are successful on a particular farm unit whereas their predecessors have been unable to profitably produce from the same unit," and further, "Adequate capital and good business management as well as the individual farmer's ability to apply good agricultural practices and techniques to the land has spelled the difference between successes and failures that have taken place to date in the Third Irrigation District."

Now, just six years later, my faith in the Third Irrigation District is stronger than ever. As Vice President and as a director in the American National Bank of Riverton, I can say without reservation that I and all other officers here at the bank have expressed this same faith by furnishing capital for the leasing and operation of a number of those units in the Third Irrigation District for our customers. We will continue to furnish operating capital to farmers and ranchers who are our customers, and who would buy land in this district, for we believe in the future of this area just as strongly as we believe in the future of the whole Riverton Reclamation Project.

Sincerely,

JOHN R. BENESCH, *Vice President.*

THE FIRST NATIONAL BANK,
Riverton, Wyo., October 6, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: Your inquiry regarding the availability of operating loans to farmers located on the Third Division was received.

At the present time, we are supplying operating loans to several farmers leasing property in this area, and we see no reason why we could not continue to make funds available to owners. In fact, we would consider our loans much more secure to owner-operators.

It is our firm belief that there is a considerable amount of land in the Third Division area which has good productivity, and we are confident that this productivity could be considerably increased by private ownership.

Very truly yours,

HARMON H. WATT, *President.*

U.S. DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Riverton, Wyo., October 2, 1967.

BOARD OF COMMISSIONERS,
Midvale Irrigation District,
Pavillion, Wyo.

GENTLEMEN: This agency is presently financing several leases on the Third Division with operating loans and their progress has been satisfactory.

If the Third Division is returned to private ownership, we anticipate financing the purchase of land to increase the size of present farms and to purchase individual economic units if any are sold on this basis.

The Farmers Home Administration has previously had real estate loans on nearly every farm in the Third Division, and it is felt that the land set up to be irrigated under the proposed plan will prove economically feasible to the individual operators.

Sincerely yours,

DUWAYNE R. PFARR,
County Supervisor.

Senator HANSEN. Senator Jordan, have you any questions?

Senator JORDAN. No questions.

Mr. WHITE. Mr. Chairman, would it be your pleasure at this time to have the slides shown?

Senator HANSEN. I think that would be fine, Mr. White. We would like to see them.

Mr. WHITE. Mr. Reid, the manager of the district, will show them.

Mr. REID. Mr. Chairman, I have a few slides here that I think will probably give everyone a better understanding of the District than all the talk we can do. Can everyone see all right?

This is Bull Lake. This is our main source of water for the Riverton project.

Senator HANSEN. If you wouldn't mind waiting just a moment, I think we have some interested people here.

Mr. REID. It may be kind of a candid view of our country, but it is still there. As I said before, this is Bull Lake. This is where we receive the majority of our water supply.

This is Bull Lake Creek. This is the means of conveying the water from Bull Lake down into Wind River, and then on to Diversion Dam. Diversion Dam here is our point of diversion on the Wind River, where we take the water out of the Wind River and put it into the Wyoming Canal, first division.

Here is another view of Diversion Dam, looking across the face of it. It might be well to note this dam was built back in 1926.

Here is one of our problems that has arisen on the project. This is silt and getting rid of the silt that comes down. You can see this silt piled up behind our Diversion Dam. It is around 15 feet deep right at this point.

We eliminated the majority of our silt problem by building this little dam above Diversion Dam, and diverting our river back to its original flow. Through the years, the river kept moving over closer and closer to a cliff, and it was going directly into our headworks. We now have it actually diverting the water, bringing the water around, and using the Diversion Dam as it was originally built to be used.

Here, again, is a picture of this silt that I was just discussing. We have moved around 200,000 yards in 1966, and in 1967 we have moved around 180,000 cubic yards of the sand to get it out.

To give you an idea of what it does when it gets into our system, here is Wyoming Canal's second division, and over on the right-hand side of the picture you will notice the grass as being pretty high. There is a lot of weeds growing in here. The capacity of our canal has been cut down to 50 percent.

Our old way of doing this was to use a drag line and clean the silt out, and pile it up in piles on the bank. This became quite a problem, too. Here, again, you can see how your canal has silted in, and you have it built in on both sides. This, again, is the old way of removing it.

This is a 6-foot man standing right here. So, this gives you an idea of the silt problem we did have in our system.

In 1965, when I was hired by the irrigation district, I proposed to the board that a dredge be put in the canal to remove the silt, so we could get this silt out of the canal during irrigation season. I would like to elaborate on that just a minute.

Our seasons are so short for cleaning, we normally have about 10 days before irrigation season, and 10 days after the irrigation season, to remove this silt. By removing this suction dredge, we can pump this silt out on the bank, and it seeks its own level all the time we are using our irrigation system.

Here, again, we are in a small level. You have this sandy soil here. This is the same ditch after we have cleaned just one side. This looks pretty bad, but it is only about 18 inches deep right here.

Here we are getting back to some of the problems that Midvale has, being, I won't say old—I will say an elderly—district. This is a wooden weir that was placed back in the 1920's. This is a device by which we measure our water from our irrigation system into the farmer's field. This weir has eroded out, the wood has rotted in here, and there is no way we can get an accurate measurement of the water.

This, again, is one reason why the first and second divisions of Midvale district need rehabilitation. This is the structure that has deteriorated over a period of time. It is just real good concrete at the time, but our engineering processes today are much better. We have much better concrete, and it will last much longer than these structures did.

Incidentally, this structure was built in about 1930. Here, again, you have got a pretty good picture of what these structures look like.

This is another structure that we were getting ready to tie in our concrete ditch, and one of my men decided he was going to clean some of the slag off here, and he made a mistake by hitting it too hard, and you can see what happened. We repaired that structure in this way.

This is four inches of concrete on each side, four inches of concrete on the bottom. We dug out a tow ditch on the upper end of it to keep the water from cutting under it any more. This structure should exist for another 20 or 30 years. This is an alkali resistance-type concrete.

Here is another structure that is in real bad shape. It has been here for years and years, and had it not been sitting on a sandstone ledge, it would have been gone a long time ago. This is a closeup of the same structure. This is the bottom of it. You can see your concrete is really thin. It has very little life left in it.

This is the same structure looking a little further down. You can see how the grass is starting to grow through the concrete.

This is what a lot of the farmers are doing to help themselves. The district went in here and put this new weir in, to properly measure the water going out of the ditch onto the farm. This farmer put in this concrete ditch himself, and he has gotten real good control of the water. He has no seepage and very little evaporation on a ditch like that, because you are moving right on down.

This is looking down a new ditch that we put in last year, a quarter of a mile long. It is a real nice ditch for carrying water. If at any time anyone would like to stop me and have more explanation on these, please feel free to do so.

This was a job that was done under an R. & D. contract with the Bureau. The ditches were asphalt-lined. This is a section of asphalt here, and there is another section back here. We found that this type of lining is not adaptable to our concrete.

Here, again, you can see how it has broken up and heaved up. Here is what it does to an irrigation ditch that has been asphalt-lined. It actually seals the moisture and holds it above, and acts just like a fertilizer. This is all moss in here and grass on each side. It really creates a problem for us for cleaning. This is an asphalt-lined ditch. There is no leakage here, but it is a consistent cleaning job, every year. This moss grows wild. It gets real heavy.

This is a ditch that was built. It is known as the Pavillion Main Relocation. It is a nice ditch. Senator Hansen had a chance to observe this ditch on our tour. This ditch is fenced on both sides. There is no way for sheep, cattle, or anything else to get into it. It stays clean, and it is a self-cleaning ditch. It eliminates the high cost to the farmer, once this type of ditch is installed.

This is the same ditch a little further down. It has a new type structure here, taking the water out from the farmers' benefit. It is all concrete.

This is the pilot canal which handles 66 percent of our total water used in the Midvale Irrigation District. This is a field of alfalfa in the background. This man, incidentally, this year, runs a little over 4½ tons per acre of alfalfa hay. This is the same ditch with your pilot canal, running water.

Here is the same thing, the pilot canal.

Now, this is your controversial third division. This is in a field of alfalfa. You will note how tall the grasses are and how nice and green the hay is. You can see how tall your grasses are here. Here, again, is the field.

This shows you how your alfalfa is growing wild through here, how heavily vegetative it is.

This shows you one of the structures on the third division. This is a newer portion of the project. You can see the money that was spent on putting these structures in here and how well kept they are. This is our road to get this in and out—access road.

Here is another field of alfalfa on the third division. Here, again, you can see how pretty and green it is. This field here ran around 3 or 3½ tons of alfalfa hay. There are some pretty seeds of alfalfa in here. This is the third division. This is the land that we are asking be returned to private ownership.

Here is a field of grain. Here is another field. There is a field of beans. This is also the third division.

That is all.

Thank you, gentlemen.

Senator HANSEN. Thank you, Mr. Reid.

Who is next?

Mr. ANGLIN. Mr. Chairman and members of the committee, my name is Fred Anglen. I live on the Riverton project in an area commonly known as Lost Wells Butte. I have been a commissioner of the Midvale Irrigation District for 5 years. I came to Riverton project in 1937 and bought the Henry Ness place which was homesteaded in 1906. I cleared sagebrush from my home place and developed it from the raw land. I have acquired an additional 160 acres of land through the years so that I now have 320 acres of farmland.

I have been on the project many years and I have had the oppor-

tunity to see many changes take place. When I first came to the area, one farm stands out in my memory as being the showplace on the project. This farm is commonly called the Williams place, which is located in Paradise Valley about 8 miles from my farm.

It was indeed a model farm, with a modern house, beautiful trees, and productive fields. Today, the farm is partially abandoned. The house is empty, the trees are dead, the land is wet and seepy. A photograph of this farm in its present condition is on page 19 of "Those Remarkable Men of Midvale." This brochure was sent to all members of this committee. This Williams place is the prime example of our need on Midvale for drainage. If this farm had been adequately drained, it would never have gone seep and would be a good farm today. This terrible waste of natural resources could have been prevented.

The drainage on Midvale Irrigation District was never completed and many other places in the district have lost productive acres of farmland as a result of seep. Only 20 percent of the Midvale area has been adequately reclaimed and protected from water-logging and salinization through the installation of proper tile drains and the construction of open drains.

Each year valuable acres of farmland are going seep for lack of proper drainage. These lands can be reclaimed with proper drains, but once they have gone seep and wet, it is a slow process to return them to productivity. The longer we wait, the more land is rendered useless. The job of reclaiming the wet and seepy lands will become more difficult and more costly as time goes by.

Proper drainage is absolutely necessary for sustained irrigated farming on the Midvale portion of the project. It is a necessary measure that must be started as soon as possible.

The problem of drainage has become so acute that many of the individual Midvale farmers have purchased tile drains for their own farms. With the help of the Midvale Irrigation District, these tile drains have been installed and many valuable acres of farm land have been saved. Midvale is vitally concerned with this problem because every acre that becomes seepy not only becomes nonproductive for the individual farmer but is removed from the assessment rolls of the district and no longer shares in the burden of paying the operation and maintenance costs of the district.

The section 2(e) of this legislation provides a credit for those farmers who have installed tile drains at their own expense. If this bill becomes law and the drainage system is completed on Midvale, the farmer benefiting from this program would not be required to pay the costs of the tile drain installed on an individual farm. In order to be fair with the farmers who have installed tile drains at their own costs, this provision has been inserted in this bill.

Mr. Chairman, we would like at this time to insert in the record a list of the Midvale farmers who have actually purchased tile drain at their own expense. This list also shows the amount expended by each farmer for tile drains installed on his farm. This list also shows that these water users have paid out of their own pocket the total of \$55,806.03 in their attempts to preserve their farmland.

I would like to insert a statement here that \$12,500 of this was drainage that was done on the highway rights-of-way, and the highway did furnish the pile and did the work.

The Midvale Irrigation District has assisted the individual farmers in the installation of the tile drain and this assistance has cost the district \$7,169.97.

The seep problem can be corrected with adequate drainage. Herb Burden, a Midvale farmer, actually reclaimed 105 acres on his place by installing drains.

I would like to insert another statement here. This farm was practically all seepage when Herb took it over. There were about 10 acres of productive land left on it.

These acres are now irrigable and productive for him as well as assessable for annual operation and maintenance costs by the district. This is one example, but there are many on Midvale that can be cited to show that adequate drainage will preserve the land for many years of sustained irrigated farming. Mr. Ed Bogacz, one of my fellow commissioners who is with us here today, needs approximately 1,500 feet of tile on his place. And so it goes with many water users throughout the district.

It is estimated that Midvale needs approximately 30 miles of open drains and 280 miles of subsurface tile drains to complete the drainage system. This protective work would cost approximately \$6.5 million.

This proposed program of installing drainage throughout Midvale is not a new concept but was planned from the very beginning of the project. This legislation would enable the drainage program to be completed as it should have been done many years ago.

The commissioners of Midvale have spent a great deal of time and money attempting to control the ever-increasing silt problem. The Wind River and diversion dam have filled up with silt over the years to the point that nearly all of the silt from the river, during normal water levels, is diverted down the Wyoming Canal.

I want to insert this statement. This was before we put this dam in, to divert the river. The silt and sand inflow into the district canals is occurring at a faster rate than the district is able to remove it. The district has constructed a floating pump barge to remove the silt, together with the use of its other heavy equipment, but still the silt problem continues.

The district has been required to allocate a substantial portion of its annual operation and maintenance budget to fight this problem. Our efforts have been moderately successful in this area but this does not prevent the sand and silt from entering into the irrigation system at our diversion point.

The answer to our silt problem seems to be a desilting works built into the system with control gates at the diversion dam. These control gates should be electrified to allow faster regulation during sluicing operations.

I sincerely appreciate the opportunity of appearing before this committee.

Thank you.

I believe the attachment contains each individual's investment in tiles.

(The document referred to follows:)

MIDVALE IRRIGATION DISTRICT
TILE DRAIN PURCHASES BY INDIVIDUAL MIDVALE WATER USERS

Name of water user	Estimated footage	Amount paid by water user for tile drains
1. Jack Cardwell.....	2,000	\$710.60
2. Gabriel Larsen.....	4,940	1,822.76
3. Esther and Fred Rasmussen.....	1,450	561.00
4. Harley W. Shaver.....	1,765	660.11
5. Mrs. D. D. Jarvis.....	2,850	1,065.90
6. Jake Griffin.....	4,633	1,599.97
7. Harold Rebideau.....	5,613	2,369.25
8. Ivan D. White.....	2,300	860.20
9. Paul Christensen.....	8,547	3,196.58
10. Carroll Riggs.....	2,207	955.63
11. W. A. Davison.....	4,339	1,878.79
12. Ira D. Ablard.....	2,503	1,082.50
13. Thomas H. Coleman.....	2,904	1,257.43
14. E. H. Marlatt.....	700	303.10
15. Arden Anderson.....	1,573	583.44
16. Clair Day.....	415	178.04
17. Edward Wagner.....	2,205	1,036.30
18. Edward Wagner.....	1,384	839.76
19. Charles H. Dechert.....	1,334	593.62
20. Harvey Stone.....	1,880	883.65
21. Charles Haven.....	3,200	1,504.00
22. Ernest Pingetzer.....	2,491	1,132.58
23. Edith K. Stoops.....	3,875	1,821.25
24. Ralph Neal.....	1,744	819.68
25. Erwin Schmidt.....	4,170	1,834.80
26. Howard Dewey.....	2,320	1,020.80
27. Arno Huenefeld.....	1,057	465.08
28. E. R. Schamber.....	746	328.24
29. Melvin Devish.....	1,363	611.60
30. Herbert Geis.....	4,443	1,954.92
31. W. A. Fair.....	1,485	697.95
32. L. G. Lockhart.....	4,036	1,896.92
33. Ralph Stowe.....	1,644	772.68
34. Herbert T. Burden.....	5,391	2,533.77
35. Merle M. Mills.....	3,460	1,626.20
36. Stanley Huffman.....	1,132	533.04
37. Roy J. Cells.....	1,184	556.48
38. George Pingetzer.....	603	283.41
39. Hight Bros.....	1,200	564.00
40. Highway department.....		12,500.00
Total.....	100,683	55,806.03
Title drain installation costs by Midvale Irrigation District to date.....		7,169.97
Total drain purchases and installation costs.....		62,976.00

Senator HANSON. Thank you very much, Mr. Anglen. I want to compliment you on a very excellent statement. I think you have called the committee's attention to some important facts that it must have in order to make considerate judgment on this piece of legislation, and you have added to that understanding and knowledge.

Mr. Welty, you are next.

Mr. WELTY. Mr Chairman and members of the committee, my name is Carl Welty and I live on a farm near Pavillion, Wyo. I am a member of the board of commissioners of the Midvale Irrigation District. I have been a farmer on the Midvale portion of the Riverton project since 1938—a period of 29 years. I have served as commissioner of the Midvale Irrigation District for nine continuous years.

One of the pressing problems facing the Midvale Irrigation District today is the urgent need for canal and lateral lining and structure repair and replacement. Part of the irrigation distribution system on the Midvale portion of the Riverton project was constructed in the 1920's.

Construction materials and methods conformed to the best engineering standards of that day, but we now know that such methods and materials have not stood the test of time. In the older sections of the project, we are faced with obsolescence and deterioration of many structures, and much of the early canal and lateral lining needs to be replaced or repaired.

Frost action, cloudbursts, other climatic conditions and just old age have damaged these old structures and canal and lateral linings. Because of these old and inadequate structures, Midvale has a continual repair problem and a very high maintenance cost to absorb.

In this day and age when it is so important to beneficially use all available water, it is a shame to admit the loss or waste of this valuable resource. Nevertheless, old and inadequate structures and unlined canal and laterals cause a tremendous water loss. The Midvale Irrigation District has lost 830,251 acre-feet of water through seepage and evaporation from 1962 through 1966. This is a startling statement, but it is sadly true.

In 1966, the Midvale Irrigation District diverted 328,116 acre-feet of water from the Wind River at Diversion Dam. Only 124,012 acre-feet was actually delivered to the farms in the Midvale Irrigation District. This is a water loss of 204,104 acre-feet through the irrigation distribution system as a result of seepage and evaporation.

Approximately two-thirds of the water diverted from the Wind River into the irrigation system was lost before it got to the farms in 1966. Much of this loss, of course, is caused by evaporation but it is estimated that the water loss could be reduced 38 percent to 52 percent if the canal and laterals were lined and if the structures did not leak.

The board of commissioners of the Midvale Irrigation District has been acutely aware of this water loss and we have prepared a table showing the actual amount of water diverted from the Wind River into the irrigation distribution system at Diversion Dam, the amount of acre-feet of water actually delivered to the Midvale farms and the amount of water loss due to seepage and evaporation. These figures cover the years 1962 through 1966. I would like to have this water loss table entered into the record at the end of my statement.

In addition to the water loss problem, the lack of proper canal and lateral lining and leaky structures aggravate the seep problems in the district, rendering many irrigable acres unproductive.

The irrigation distribution system that serves the Midvale Irrigation District transports water over many miles in order to serve over 45,000 irrigable acres within the district. The district maintains 54.64 miles of main canals and 223.37 miles of laterals for a total of 278.01 miles in the entire system.

There are 335 structures along the main canals and there are a total of 3,530 structures located along the laterals. It has been estimated that the cost of canal and lateral lining and structure repair and replacement in the district would run approximately \$4.5 million. This protective work needs to be started as soon as possible.

The upper end of the irrigation distribution system is known as the Wyoming Canal First Division. It begins at Diversion Dam where the water from the Wind River is diverted into the Wyoming Canal. At Diversion Dam itself, all 10 gates of the dam need lagging and should

have their speed increased. There is 1 mile of concrete lining on Wyoming Canal that needs to be repaired. In this area there are some old wooden turnouts which need replacing with concrete structures. The concrete chute at Pilot Butte powerhouse needs to be replaced with a concrete pipe.

The area known as Sand Butte is a high seep area and needs extensive lateral lining. Another high seep area is found along the Pilot canal from Twin Bridges to the Lost Wells Butte area. This stretch involves 20.2 miles of Pilot canal, of which 13.8 miles is already lined. The balance of the canal should be lined, and there are a number of wooden weirs in the area that should be replaced with concrete structures.

On the main canal and laterals, there are 15 drops that need replacing and 12 new headgates are needed. The balance of the Pavillion main needs to be lined with concrete. Along the 5-mile laterals, 17 new drops are needed. The district has installed nine concrete headwalls in some of the drops to keep them together for another 2 or 3 years. This was a temporary measure. At least 15 new turnouts are needed and 13 weirs are sunk and need replacing.

Following down Pilot canal through Missouri Valley and Hidden Valley, there are 32.6 miles of laterals and 10 miles of these laterals have been lined. In this area, the Pilot Canal is 8.3 miles long. Four miles of the canal have been lined and the balance needs lining very badly. In the Lost Wells Butte area, 22.6 miles of lining is seriously needed and 10 headgates need to be replaced.

This is a high seep area and concrete lining would return several hundred acres of land into production. In the Sand Gulch area, at least 18 miles of lining is needed and several major structures are in the need of repair. The 27 O.D. lateral in this area loses more water through seep than any other ditch in the entire project.

This general statement of the conditions of the canal, laterals, and structures on the Midvale Irrigation District is very general, but does point out the extent of the need for protective work in the district as soon as possible.

My many years as a farmer on the Riverton project and my service as a member of the board of commissioners of the Midvale Irrigation District, I believe, qualify me to render an opinion and make some observations about this agricultural area. First of all, the first and second divisions of the Riverton project which are included in the Midvale Irrigation District have proven to be good farming areas.

The farmers on Midvale produced crops valued at \$2,825,115 in 1966 and since the beginning of project operations in 1925, have produced crops valued at \$58,883,281. The gross crop value of \$66.54 per irrigated acre in 1966 compares favorably to other reclamation projects in our area.

The Midvale Irrigation District has proved its ability to raise crops, meet its repayment obligations to the Government and make an adequate living for approximately 370 farm families. Secondly, if we obtain timely assistance to repair and complete the irrigation system, we can continue to be a productive agricultural area in the future.

Thank you.

(The attachment referred to follows:)

WATER LOSS FROM DIVERSION POINT TO MIDVALE FARMS

Year	Total acre-feet of water diverted from Wind River at diversion dam	Total acre-feet of water delivered to Midvale Farms	Canal and lateral losses due to seepage and evaporation
1962	227,072	95,091	131,981
1963	278,062	106,261	171,801
1964	252,530	115,016	137,514
1965	287,683	102,832	184,851
1966	328,116	124,012	204,104

Note: Total acre-feet of water loss due to seepage and evaporation, 1962 through 1966, 830,251.

Senator HANSEN. Thank you very much, Mr. Welty. You have lived in this area and farmed it for just about 20 years, almost two decades.

Mr. WELTY. Yes.

Senator HANSEN. Well, your intimate knowledge of it is obvious from your statement, and I want to thank you for the contribution you have made.

Next, I think we ought to hear from Mr. Edward L. Bogacz, member of the board.

Mr. BOGACZ. Mr. Chairman, members of the committee, my name is Edward L. Bogacz of Pavillion, Wyo. I am a commissioner of the Midvale Irrigation District and I am also a water user on the Riverton reclamation project. I am a veteran of World War II. Incidentally, if I may I might mention that my drawing number was 168 so there were 168 veterans ahead of me in the drawing. There were quite a number of veterans in that drawing, as I remember it, somewhere around 500, I believe.

Senator HANSEN. Is that right?

Mr. BOGACZ. I missed drawing a homestead on the project on my return from military service. I am married and I have five daughters. I own 280 acres of farmland in the Midvale Irrigation District and I own an additional 900 acres in the district near Ocean Lake which is used for livestock pasture.

I would like to explain that. It may raise a question as to how I can own that much land in the Midvale district with the 160-acre limitation. A lot of this land is marginal land. Around Ocean Lake, on the south side of Ocean Lake, it is subirrigated. It has been taken out of the ONM class of the Midvale Irrigation District, and therefore it is leased as grazing land.

I own approximately 50 black angus cows, plus 700 ewes. My usual crops are sugarbeets, hay, and grain. With this size operation, I am getting along satisfactorily, but there is little opportunity for expansion and increased income.

When the 81 farm units on third division were advertised for temporary permits by the Bureau of Reclamation on March 9, 1965, I was extremely interested. This was an opportunity for me to diversify and to expand my operation. I was familiar with the quality of the land on third division since I have lived in this area for most of my life and I have been farming on the project since 1937. Many of my neighbors on Midvale were as pleased as I was to see these lands on third division advertised by the Bureau for temporary leasing.

All of the 81 farm units were snapped up by Midvale farmers and the bidding on these units was competitive and spirited. Every unit that was advertised was leased. The successful bidders paid a total of \$78,815 for agricultural permits on these third division lands for 1 year.

This figure included the necessary charge for water delivery to the irrigable lands.

I was one of the 33 successful bidders and I leased the Alex Weitzel unit No. 30 for \$891.20.

Senator HANSEN. May I interrupt a moment, Mr. Bogacz, to ask you: Do you know what the water cost per acre is on these leased acres?

Mr. BOGACZ. Four dollars per acre for—

Senator HANSEN. For 1 year, for one season?

Mr. BOGACZ. That is right, Mr. Chairman. That entitled you to 3 acre-feet of water.

Senator HANSEN. Thank you.

Mr. BOGACZ. After the first year, leases on 12 units were not renewed by the original permittees and these farms were readvertised for lease for 1966. These units were leased immediately for \$9,360 for 1 year, which was actually \$2,970 more than the original lease price.

After the second year, 19 units were not renewed and were advertised for lease for the year 1967. A total of \$22,071 was bid for 18 of the advertised units in 1967. This is an average of \$11.30 per irrigated acre for the land and water charges. The Bureau of Reclamation has received from the permittees over a 3-year leasing period, 1965 through 1967, the sum of \$239,694 for lease rentals and water charges from the permittees.

At this time, if I may, I would like to enter into the record three exhibits showing statistics of the agricultural permits for third division lands for the years 1965, 1966, and 1967.

Senator HANSEN. Without objection, they will be received.

Mr. BOGACZ. These exhibits show the original owner of the third division units, the successful bidders in each of the respective years of the lease period, the number of irrigated acres in each unit, the amount bid as annual rental for the unit, the amount of the annual water payment for the unit, and the total amount paid by each successful bidder.

The Midvale farmers proved what they thought of the third division land when they paid \$269,694 in cash for agricultural permits on these lands for the 3-year period. They also proved that these lands were actually worth the lease rental.

As an example, I raised 22 acres of beets, which made 13 tons to the acre in 1965 on my third division lease, despite the fact that the growing season was cut short by an early September snow and freeze.

My hay in 1965 made 3 tons to the acre, and barley went 110 bushels to the acre. I was also able to winter my Angus cows on pasture on the lease.

In 1966, I wintered 50 head of Angus cows for 4 months and in 1967 I wintered 600 head of ewes for 3 months. So, some of these third division lands are fit for sustained irrigation agriculture and will make economic units. The farmer must diversify his operation and have experience to be successful. I have actually proved that the land is worth saving—and I am no exception.

The other 33 permittees were generally successful, too. I would like to enter into the record at this time an exhibit which shows the overall production records of the third division agricultural permits for the years 1964, 1965, and 1966. These total production figures show that \$1,042,062 of crops were produced, and prove that these third division lands are capable of tremendous agricultural production.

Senator HANSEN. That may be received.

Mr. BOGACZ. The Midvale farmer knows the value of these third division lands and has actually shown by performance that these lands are suitable for sustained irrigated farming. Not all of the 25,000 acres of third division are fit for production, but a selective plan could develop approximately 30 diversified farming units that would be good economic units to support a farm family today.

Or, perhaps, productive area on the third division could be offered for sale in smaller parcels to give the Midvale farmers supplemental lands in addition to his present operations. This supplemental land could allow the expansion for the crowded operator and provide additional land for the coming generation.

A tentative farm unit layout has been suggested to accomplish these objectives and I would like to enter this layout, with an accompanying map, in the record at this time. This exhibit and the accompanying map show that 30 farm units could be set up in third division using the land equivalent of 160 acres of class 1 land as provided in the legislation now being considered by this committee.

I would like to enter that map into the record.

Senator HANSEN. Without objection, it may be received.

Mr. BOGACZ. Another very important fact that the leasing program on third division pointed out was that substandard performance by the original owners—generally those who obtained relief from the act of March 10, 1964—could very well have been a factor in third division's poor showing which led up to the buy-out legislation. The yields obtained and the pastures provided during this 3-year leasing program has proven that good third division lands in the hands of experienced, competent farmers can be as productive as the lands in the Midvale Irrigation District.

We do not wish the committee to believe that all of those who obtained relief from the act of March 10, 1964, were all inexperienced and substandard farm operators. On the contrary, there were eight good third divisions farmers who purchased Midvale farms after they sold their third division farms back to the Government.

Twelve third division farmers also owned Midvale farms at the time of the buy-out and continue to own and/or operate their Midvale farms successfully. For the record, I would like to introduce an exhibit which lists in detail the names of 20 farmers who benefited from the third division buy-out but who still own and/or operate Midvale farms.

I would like to enter into the record, if I may, Mr. Chairman, names of the 20 farmers who are still in Midvale and will benefit by the buy-out.

Senator HANSEN. Without objection, it may be received.

Mr. BOGACZ. This leasing program is a proven success despite the fact that these permittees knew that their leases were only for three growing seasons.

The leasing program has proved to be profitable to the Bureau of Reclamation as well as to the permittees. Over the 3-year period it has received \$239,694 in rental income and water charges, while paying to Midvale \$26,895.91 for operation and maintenance for the calendar year 1966, and \$23,532.26 for 1967 through August 31, 1967, for a total of \$50,428.17. The net proceeds of \$189,265.83, less costs of operation and maintenance in 1965, represent surplus funds to the Bureau by virtue of the third division leasing program to date.

On the other hand, the leasing program has some bad effects that should not be overlooked. The lands have been withdrawn from the county tax rolls. County government and school districts have suffered. Buildings have been unoccupied, vandalized, deteriorated, unimproved, and subjected to unusual wear and tear. The land has suffered because temporary permittees will not properly fertilize or preserve land for sustained use. Proper farming methods of crop rotation cannot be practiced. Weed control is minimal. The application and waste of water tends to be excessive on temporary leased lands.

In short, the permittees naturally do not treat these lands in the manner they treat their own deeded lands.

As a result, the real loser is the Government. Its total investment represented in the construction cost of the irrigation system and in the appropriations required to underwrite the buy-out program is being placed in ever-increasing jeopardy. The value of the land and improvements is decreasing at an alarming rate. The longer the Government waits to sell these lands, the greater the loss will be. These lands and improvements should be sold by the Government while they still have value.

The legislation now being considered seeks to authorize the return of these third division lands to private ownership. We can assure you that the Midvale farmers stand ready today to purchase these lands at a fair price.

I would like to enter into the record at this time a total of 17 letters addressed to the Midvale Irrigation District by Midvale farmers who have expressed a desire for purchasing these third division units if and when they are offered for sale by the Government.

I would like, if I may, Mr. Chairman, to read one or two of the letters I have here. I think it would be of interest.

(The material follows:)

RIVERTON, WYO., November 27, 1967.

MIDVALE IRRIGATION DISTRICT,
Commissioners and Manager:

This is a letter of intent, at which time legislation and other obstacles are settled as to the disposition of Third Division land.

I am vitally interested in purchasing a unit at a fair price, which would be large enough to be economically feasible in the face of the present trend of mechanization in agriculture.

We have farmed Third Division land in North Portal for the past five years. We are satisfied that it is good land and will produce with land on Midvale, taking into consideration, that it has not been out of sagebrush very many years.

Last year we leased Units 70-74-75-77 and intend to renew our leases for another year.

We have had a sound operation on this land and believe that the Midvale commissioners and local Bureau of Reclamation officials are aware of this fact.

I feel that to abandon Third Division land would be a gross injury to the people of Midvale, and the state of Wyoming and the United States. The investment, will be redeemed by the land if given a chance.

Third Division land has for the past five years given me and my family, the opportunity to get enough land leased to make a profitable operation, this would not have been possible if we had been limited to Midvale land.

This land returned to private ownership will produce much better, than it has under the short term lease.

We would welcome the opportunity to acquire land in Third Division.

Sincerely yours,

ROBERT J. RUMERY.

Senator HANSEN. Thank you very much, Mr. Bogacz. Do you have other letters to read? They will all be entered into the record.

Mr. BOGACZ. I would like to enter these into the record.

Senator HANSEN. Without objection, they will all be received and entered into the record.

(The letters referred to follow:)

PAVILLION, WYO.

DEAR SIR: I am interested in purchasing a farm in north Pavillion area. In specific the place joining me on the north across the 5 mile creek.

Sincerely,

ELLEN WILLIAMS.

NOVEMBER 18, 1967.

DEAR SIR: I am interested in purchasing land on the third division of the Riverton project.

I now have the lease on unit No. 13, and it has worked out fine for me.

WOODROW McCOWN.

PAVILLION, WYO., November 21, 1967.

BOARD OF COMMISSIONERS,
Midvale Irrigation District,
Pavillion, Wyo.

GENTLEMEN: I hope that you are successful in your attempt to consolidate the Midvale Irrigation District with the Third Division.

I have leased three parcels of land on the Third Division from the Bureau of Reclamation for the past three years and the land has produced a good crop each year.

I have two sons and two sons in law helping farm our land on Midvale and the Third Division, as I intend to purchase land in the Third Division if it is made available.

Yours truly,

RICHARD H. PATTISON.

NOVEMBER 25, 1967.

BUREAU OF RECLAMATION.

DEAR SIR: Being a leasee on Third Division and having the experience in working with the soil and producing the crops I have. I am very well satisfied with my operation over there.

I think these farms have a place in producing crops as they were intended for.

I am interested in purchasing one of the units on third Division when they are available to be purchased.

Sincerely,

EDWARD I. BOGACZ.

NOVEMBER 24, 1967.

BOARD OF COMMISSIONERS MIDVALE IRRIGATION.

DEAR SIR: I have a son that is in the farming business and I am interested in purchasing more land at such time the Third Division is resold.

RALPH C. HUNT.

NOVEMBER 22, 1967.

DEAR SIR: I am interested in buying a portion of the Third Division land when it is available.

I lease the C. L. Blair place and know that the land will produce.

CHARLES E. ZEFFERS.

NOVEMBER 20, 1967.

DEAR SIR: I am interested in buying some land in the third division of Midvale Irrigation District. I have a son that is farming with me and we need more land.

EZRA STEENBOCK.

NOVEMBER 24, 1967.

BOARD OF COMMISSIONERS MIDVALE IRRIGATION.

DEAR SIR: I have a son that in the farming business and I am interested in purchasing more land at such time the Third Division is resold.

JEARLD WILIEVER.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo., October 20, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

DEAR SIR: I understand that provided a bill Midvale is interested in, goes through the Senate this year, the 3rd Division lands are to be sold back into private ownership.

I would like to inform you when this land is sold, I am very much interested in purchasing a unit.

Sincerely yours.

U. A. FRIEND,
Midvale Water User.

RIVERTON, WYO., November 22, 1967.

COMMISSIONERS OF MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: At the present time I have unit 51 leased on the third division and have been notified that I can renew the lease for another year which I plan to do.

After farming in that area this past year, I feel that there is opportunity to develop productive operations in that area and I hope that the proper legislation will be passed that will allow these units to be purchased.

My son and I have a nice herd of angus cows and we hope to be able to purchase proposed unit No. 17 so that we can increase our herd. My son is in his second year at college and is taking a course in agriculture. He has several head of registered angus cows and is very much interested in expanding the operation. It is for this reason that I am writing you at this time as I feel that unit 17 offers the possibilities for a good livestock set-up and I hope that I will have the opportunity to purchase this unit and make it into a productive and worthwhile operation.

Sincerely yours,

KENNETH, Riverview Route.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo., October 20, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

DEAR SIR: I understand that provided a bill Midvale is interested in, goes through the Senate this year, the 3rd Division lands are to be sold back into private ownership.

I would like to inform you when this land is sold, I am very much interested in purchasing a unit.

Sincerely yours,

EARL W. ANGLIN,
Midvale Water User.

PAVILLION, WYO., November 23, 1967.

U.S. BUREAU OF RECLAMATION,
Third Division Irrigation Project,
Pavillion, Wyo.

GENTLEMEN: This letter is to advise you that I am interested in retaining tracts on the third division irrigation project, which I now hold under farm lease from the Bureau of Reclamation. In the event the government decides to sell these lands, I would like the opportunity to exercise any preferential rights to purchase, which may be vested in me, under said farm leases.

I am especially interested in a purchase should the units be enlarged to include enough additional lands to make them economically self-sustaining.

Yours very truly,

EARL STULTZ.

PAVILLION, WYO., *November 15, 1967.*

DEAR SIR: This letter is to express my interest and intention in purchasing one or more of the present units I am operating on in the Third Division project.

I feel an operator can make a profitable living on units of 300 acres or more with proper management and adequate irrigation water for the types of soil and terrain on these units.

Prior to Government purchase I feel many of these units were abused and mismanaged, especially in regards to irrigation practices.

The project can be a tremendous asset to the States economy because of increased yields and returns per acre in comparison to older and existing projects.

Some of my main concerns at this time are; a guarantee of adequate water for irrigation at a reasonable costs, a feasible repayment schedule for operation and construction costs, a true and comparable appraised valuation on the units and the possibility of being included under the Missouri River Basin project in the near future.

KENNETH W. HIGHT.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo., October 20, 1967.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

DEAR SIR: I understand that provided a bill Midvale is interested in, goes through the Senate this year, the 3rd Division lands are to be sold back into private ownership.

I would like to inform you that when this land is sold, I am very much interested in purchasing a unit.

Sincerely yours,

FRED ANGLIN,
Midvale Water User.

RIVERTON, WYO., *October 17, 1967.*

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

DEAR SIR: This letter is to inform you that I am interested in purchasing a plot of land in the Third Division when they are made available. After looking the available land over, I am most interested in plot numbers 17, 18, 27, or 28.

Very truly yours,

LLOYD DECHERT.

OCTOBER 16, 1967.

COMMISSIONERS, MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

DEAR SIR: This is to be considered to be a letter of intent to move back to Wyoming upon release from the Navy in December 1968.

I would like to have this letter entered as my choice of selection of various units of the 3rd Division that I understand will be put up for sale in the future. Units 16, 18, 27 and 28 are units that I would be interested in purchasing.

Very respectfully,

DALE D. DECHERT.

Mr. BOGACZ. The Midvale Irrigation District stands ready today to include these lands within its boundaries once they are returned to private ownership. The irrigation system of canals and laterals stand ready today to continue to carry water into the irrigable areas of the third division.

We sincerely request that this committee favorably consider this legislation.

(The attachments referred to follow:)

RIVERTON PROJECT, WYOMING—AGRICULTURAL PERMITS FOR 3D DIVISION LANDS

1965

Unit No.	Original owner	Successful bidder	Irrigated acres	Amount bid	Water payment	Total paid
1	Mae Rhodes	Keith Blankenship	136.1	\$140.00	\$544.40	\$684.40
2	Alex Weitzel	do	70.0	70.00	280.00	350.00
3	Ed Blankenship	do			20.00	20.00
4	Robert Rohn	do	113.5	130.00	315.20	445.20
5	Henry Spears	Lawrence Huelle	115.8	160.00	463.20	623.20
6	Caroll Riggs	Robert Runner	24.0	500.00	96.00	596.00
7	Theodore Gies	Lawrence Huelle	90.0	150.00	360.00	510.00
8	S. A. Locke	Tobert Runner	50.5	500.00	202.00	702.00
9	Scott Ratliff	do	19.4	600.00	77.60	677.60
10	Clarence Blair	H. A. Stearns	157.3	750.00	629.20	1,379.20
11	do	Ralph Stowe	91.8	800.00	367.20	1,167.20
12	Barquin-Stoops	Gaylord Whitt	95.8	800.00	383.20	1,183.20
13	Eugene Tolman	Woodrow McCown	109.9	550.00	439.60	989.60
14	Gordon Harris	Kenneth Hight	109.4	750.00	437.60	1,187.60
15	Chester Fike	do	109.3	450.00	437.20	887.20
16	William Wall	Elmer Portlock	100.0	300.00	400.00	700.00
17	Alex Weitzel	do	70.0	800.00	280.00	1,080.00
18	Harry Waugh	do	62.3	255.00	249.20	504.20
19	Clapp-Fike	Kenneth Hight	73.1	300.00	292.40	592.40
20	Wayne Wilson	Herbert T. Burden	115.8	130.00	463.20	593.20
21	Merl Rhodes	Ralph Stowe	147.0	150.00	588.00	735.00
22	Bell-Ballard	Ellsworth C. Gordon	63.7	325.00	254.80	579.80
23	Wall-Inskeep	Art Rohn	40.4	50.00	161.60	211.60
24	Fike-Barquin	Leonard Kosmiski	50.2	375.00	200.80	575.80
25	Paul Leonhardt	Richard Pattison	160.0	3,700.00	640.00	4,340.00
26	John Longfellow	Gene Shambeau	121.3	130.00	485.20	615.20
27	Charles Pince	Art Rohn	138.5	700.00	554.00	1,254.00
28	Gregerson-Pince	Richard Pattison	44.8	60.00	179.20	239.20
29	David Pince	Lawrence Huelle	105.9	200.00	423.60	623.60
30	Alex Weitzel	Edward Bogacz	97.8	500.00	391.20	891.20
31	Charles Pince	Richard Pattison	113.6	1,000.00	454.40	1,454.40
32	Owen Gregerson	Russell Locker	88.9	610.00	355.60	965.60
33	Walter Boehm	No sale				
34	Joe Chernick	Earl Stultz	119.5	500.00	478.00	978.00
35	do	do	106.0	110.00	424.00	534.00
36	Chernick-Wilson	Lawrence Huelle	131.8	130.00	527.20	657.20
37	A. J. Jarnagin	Robert Brunk	205.3	850.00	821.20	1,671.20
38	Theodore H. Gies	Lawrence Huelle	33.7	110.00	138.40	248.40
39	Raymond Long	do	59.5	60.00	238.00	298.00
40	Kenneth Heald	do	128.6	310.00	514.40	824.40
41	Aubrey Traweek	do	24.6	110.00	98.40	208.40
42	W. H. Roland	do	122.1	320.00	488.40	808.40
42A	Frank Brunner	No sale				
43	Ferguson-Talbott	Charles M. Jones	220.4	230.00	881.60	1,111.60
44	Erhart-Chaney	No sale				
45	Robert Barrett	W. F. Brown	80.0	90.00	320.00	410.00
46	Henry Barrett	do	130.0	130.00	520.00	650.00
47	Edward Marlatt	do	145.9	150.00	583.60	733.60
48	Delbert Edwards	Bruce Lockhart	76.1	100.00	304.40	404.40
49	Neal Tuft	Paul Christensen	76.1	80.00	304.40	384.40
50	Mark Gudmundsen	Alex Eckhardt	178.7	1,000.00	714.80	1,714.80
51	Ray Guthridge	Robert Runner	126.4	200.00	505.60	705.60
52	Richard Hicklin	No sale				
53	Neal Tuft	Robert Runner	64.0	500.00	256.00	756.00
54	Merrill Smith	Gerald Adams	116.9	130.00	467.60	597.60
55	DeLorme Lloyd	Robert Runner	120.1	1,000.00	480.40	1,480.40
56	Harvey Maughan	LeRoy Long	111.9	110.00	447.60	557.60
57	Russell Maughan	do	126.8	130.00	507.20	637.20
58	Grant Butler	do	55.9	400.00	223.60	623.60
59	Clayton Long	do	137.7	160.00	550.80	710.80
60	Merrill Smith	Alex Eckhardt	59.1	600.00	236.40	836.40
61	Maughan Bros.	LeRoy Long	107.7	110.00	430.80	540.80
62	Grant Butler	Leonard Kosmiski	131.0	130.00	524.00	654.00
63	Andrew Blase	LeRoy Long	117.2	400.00	468.80	868.80
64	Grant Butler	Leonard Kosmiski	127.8	225.00	511.20	736.20
65	Coleman Lease	Robert Runner	251.7	2,000.00	1,006.80	3,006.80
66	Frank Hollopeter	do	59.5	200.00	238.00	438.00
67	Public land	do				
68	do	No sale				
69	Marvin West	Gordon Maxson	146.9	950.00	587.60	1,537.60
70	LaDell Harrison	Robert Rumery	140.5	2,450.00	562.00	3,012.00
71	B. Wilkinson	John Herbst, Jr.	206.2	1,750.00	824.80	2,574.80
72	Marvin West	do	46.4	175.00	185.60	360.60
73	LaDell Harrison	Alex Eckhardt	26.4	2,000.00	105.60	2,105.60
74	Trook-Riggs	Robert Rumery	151.1	1,000.00	604.40	1,604.40
75	Alfred Talbott	do	173.9	1,500.00	695.60	2,195.60
76	Allen Talbott	Gordon Maxson	131.0	700.00	524.00	1,224.00
77	Keith Edwards	Maurice Davis	207.3	220.00	829.20	1,049.20

RIVERTON PROJECT, WYOMING—AGRICULTURAL PERMITS FOR 3D DIVISION LANDS—Continued

1965—Continued

Unit No.	Original owner	Successful bidder	Irrigated acres	Amount bid	Water payment	Total paid
78	Harold Capellan	LeRoy Long	89.9	\$100.00	\$359.60	\$459.60
79	Carroll Riggs	L. O. White	108.3	400.00	433.20	833.20
80	K. & H. Edwards	do	144.3	160.00	577.20	737.20
81	C. Mauersberger	Alex Eckhardt	301.3	3,500.00	1,205.20	4,705.20
Total			8,311.5	41,435.00	33,111.20	74,546.20

1966

1	Mae Rhodes	Keith Blankenship	136.1	\$140.00	\$544.40	\$684.40
2	Alex Weitzel	do	70.0	70.00	280.00	350.00
3	Ed Blankenship	do		20.00		20.00
4	Robert Rohn	do	113.5	130.00	454.00	584.00
5	Henry Spears	Lawrence Huelle	115.8	160.00	463.20	623.20
6	Carroll Riggs	Robert Runner	24.0	500.00	96.00	596.00
7	Theodore Gies	Lawrence Huelle	90.0	150.00	36.00	510.00
8	S. A. Locke	Robert Runner	50.5	500.00	202.00	702.00
9	Scott Ratliff	Gaylord J. Whitt	19.4	825.00	77.60	902.60
10	Clarence Blair	H. A. Stearns	122.6	750.00	490.40	1,240.40
11	do	Ralph Stowe	91.8	800.00	367.20	1,167.20
12	Barquin-Stoops	Gaylord J. Whitt	95.8	800.00	383.20	1,183.20
13	Eugene Tolman	Woodrow McCown	109.9	550.00	439.60	989.60
14	Gordon Harris	Kenneth Hight	109.4	750.00	437.60	1,187.60
15	Chester Fike	do	109.3	450.00	437.20	887.20
16	William Wall	Elmer Portlock	100.0	300.00	400.00	700.00
17	Alex Weitzel	do	70.0	800.00	280.00	1,080.00
18	Harry Waugh	do	62.3	255.00	249.20	504.20
19	Clapp-Fike	Kenneth W. Hight	73.1	300.00	292.40	592.40
20	Wayne Wilson	Herbert T. Burden	115.8	130.00	463.20	593.20
21	Merl Rhodes	Ralph Stowe	147.0	150.00	588.00	738.00
22	Nels Ballard	Raymond Lye	63.7	675.00	254.80	929.80
22A	A. R. Bell	do				
23	Wall-Inskeep	Art Rohn	40.4	50.00	161.60	211.60
24	Fike-Barquin	Leonard Kosmiski	50.2	375.00	200.80	575.80
25	Paul Leonhardt	Richard Pattison	160.0	3,700.00	640.00	4,340.00
26	John Longfellow	Gene Shambeau	121.3	130.00	485.20	615.20
27	Charles Pince	Art Rohn	138.5	700.00	554.00	1,254.00
28	Gregerson-Pince	Richard Pattison	44.8	60.00	179.20	239.20
29	David Pince	Lawrence Huelle	105.9	200.00	423.60	623.60
30	Alex Weitzel	Edward Bogacz	97.8	500.00	391.20	891.20
31	Charles Pince	Richard Pattison	113.6	1,000.00	454.40	1,454.40
32	Owen Gregerson	Russell Locker	88.9	610.00	355.60	965.60
33	Walter Boehm	Louis Johnson	187.1	200.00	748.40	948.40
34	Joe Chernick	Earl Stultz	119.5	500.00	478.00	978.00
35	Joe Chernick	do	106.0	110.00	424.00	534.00
36	Chernick-Wilson	Lawrence Huelle	131.8	130.00	527.20	657.20
37	A. J. Jarnagin	Robert Brunk	205.3	850.00	821.20	1,671.20
38	Theodore H. Gies	Lawrence Huelle	33.7	110.00	134.80	244.80
39	Raymond Long	do	59.5	60.00	238.00	298.00
40	Kenneth Heald	do	128.6	310.00	514.40	824.40
41	Aubrey Traweek	do	24.6	110.00	98.40	208.40
42	W. H. Roland	do	122.1	320.00	488.40	808.40
42A	Frank Brunner	do		20.00		20.00
43	Ferguson-Talbot	Charles M. Jones	220.4	230.00	881.60	1,111.60
44	Erhart-Chaney	LeRoy Long	194.2	210.00	776.80	986.80
45	Robert Barrett	W. F. Brown	80.0	90.00	320.00	410.00
46	Henry Barrett	do	130.0	130.00	520.00	650.00
47	Edward Marlatt	do	145.9	150.00	583.60	733.60
48	Delbert Edwards	Bruce Lockhart	76.1	100.00	304.40	404.40
49	Neal Tuft	Paul Christensen	76.1	80.00	304.40	384.40
50	Mark Gudmundsen	Alex Eckhardt	178.7	1,000.00	714.80	1,714.80
51	Ray Guthridge	Elmer Portlock	126.4	1,225.00	505.60	1,730.60
52	Richard Hicklin	do		1,125.00		1,125.00
53	Neal Tuft	LeRoy Long	64.0	1,300.00	256.00	1,556.00
54	Merrill Smith	do	116.9	1,200.00	467.60	1,667.60
55	DeLorme Lloyd	do	120.1	1,250.00	480.40	1,730.40
56	Harvey Maughan	do	111.9	110.00	447.60	557.60
57	Russell Maughan	do	126.8	130.00	507.20	637.20
58	Grant Butler	do	55.9	400.00	223.60	623.60
59	Clayton Long	do	137.7	160.00	550.80	710.80
60	Merrill Smith	Alex Eckhardt	59.1	600.00	236.40	836.40
61	Maughan Bros.	LeRoy Long	107.7	110.00	430.80	540.80
62	Grant Butler	Leonard Kosmiski	131.0	130.00	524.00	654.00
63	Andrew Blase	LeRoy Long	117.2	400.00	468.80	868.80
64	Grant Butler	Leonard Kosmiski	127.8	225.00	511.20	736.20
65	Coleman Lease	do				
66	Frank Hollepetter	M. Lewis Tarver	251.7	1,600.00	1,006.80	2,606.80

RIVERTON PROJECT, WYOMING—AGRICULTURAL PERMITS FOR 3D DIVISION LANDS—Continued

1966—Continued

Unit No.	Original owner	Successful bidder	Irrigated acres	Amount bid	Water payment	Total paid
67	Public land	M. Lewis Tarver	59.5	\$60.00	\$238.00	\$298.00
68	do	do	152.1	600.00	608.40	1,208.40
69	Marvin West	Gordon Maxson	146.9	950.00	587.60	1,537.60
70	LaDell Harrison	Robert J. Rumery	140.5	2,450.00	562.00	3,012.00
71	B. Wilkinson	John Herbst, Jr.	206.2	1,750.00	824.80	2,574.80
72	Marvin West	do	46.4	175.00	185.60	360.60
73	LaDell Harrison	Alex Eckhardt	26.4	2,000.00	105.60	2,105.60
74	Trook-Riggs	Robert Rumery	151.1	1,000.00	604.40	1,604.40
75	Alfred Trook	do	173.9	1,500.00	695.60	2,195.60
76	Allen Talbott	Gordon Maxson	131.0	700.00	524.00	1,224.00
77	Keith Edwards	Maurice A. Davis	207.3	220.00	829.20	1,049.20
78	Harold Capellan	Robert C. Peil	89.9	100.00	359.60	459.60
79	Carroll Riggs	L. O. White	108.3	400.00	433.20	833.20
80	K. & H. Edwards	do	144.3	160.00	577.20	737.20
81	C. Mauersberger	Alex Eckhardt	301.3	3,500.00	1,205.20	4,705.20
	Subtotal		8,810.3	46,770.00	35,241.20	82,011.20
	Keith Blankenship's home place		102.2		408.80	408.80
	Total		8,912.5	46,770.00	35,650.00	82,420.00

Note: 33 permittees, 81 permits; gross acres, 24,987.31.

1967

1	Mae Rhodes	Keith Blankenship	136.1	\$140.00	\$544.40	\$684.40
2	Alex Weitzel	do	70.0	70.00	280.00	350.00
3	Ed Blankenship	do			20.00	20.00
4	Robert Rohn	do	113.5	130.00	454.00	584.00
5	Henry-Spears	Lawrence Huelle	115.8	160.00	463.20	623.20
6	Carroll Riggs	Robert Runner	24.0	500.00	96.00	596.00
7	Theodore Gies	Lawrence Huelle	90.0	150.00	360.00	510.00
8	S. A. Locke	Robert Runner	50.5	500.00	202.00	702.00
9	Scott Ratliff	Gaylord J. Whitt	19.4	825.00	77.60	902.60
10	Clarence Blair	H. A. Stearns (Mrs.)	122.6	750.00	490.40	1,240.40
11	do	Charles E. Jeffers	91.8	850.00	367.20	1,217.20
12	Barquin-Stoops	Gaylord J. Whitt	95.8	800.00	383.20	1,183.20
13	Eugene Tolman	Woodrow McCown	109.9	550.00	439.60	989.60
14	Gordon Harris	Kenneth Hight	109.4	750.00	437.60	1,187.60
15	Chester Fike	do	109.3	450.00	437.20	887.20
16	William Wall	Elmer Portlock	100.0	300.00	400.00	700.00
17	Alex Weitzel	do	70.0	800.00	280.00	1,080.00
18	Harry Waugh	do	62.3	255.00	249.20	504.20
19	Clapp-Fike	Kenneth W. Hight	73.1	300.00	292.40	592.40
20	Wayne Wilson	Herbert T. Burden	115.8	130.00	463.20	593.20
21	Merl Rhodes	Ralph Stowe	147.0	150.00	588.00	738.00
22	Ballard-Bell	Raymond Lye	63.7	400.00	254.80	654.80
23	Wall-Inskeep	Leonard Kosmiski	40.4	100.00	161.60	261.60
24	Fike-Barquin	do	50.2	375.00	200.80	575.80
25	Paul Leonhardt	Richard Pattison	160.0	3,700.00	640.00	4,340.00
26	John Longfellow	(Mrs.) Gene Shambeau	121.3	130.00	485.20	615.20
27	Charles Pince	Art Rohn	138.5	700.00	554.00	1,254.00
28	Gregerson-Pince	Richard Pattison	44.8	60.00	179.20	239.20
29	David Pince	Lawrence Huelle	105.9	200.00	423.60	623.60
30	Alex Weitzel	Edward Bogacz	97.8	500.00	391.20	891.20
31	Charles Pince	Richard Pattison	113.6	1,000.00	454.40	1,454.40
32	Owen Gregerson	Russell Locker	88.9	610.00	355.60	965.60
33	Walter Poehm	Louis Johnson	187.1	200.00	748.40	948.40
34	Joe Chernick	Earl Stultz	119.5	500.00	478.00	978.00
35	do	do	106.0	110.00	424.00	534.00
36	Chernick-Wilson	Lawrence Huelle	131.8	130.00	527.20	657.20
37	A. J. Jarnagin	Robert Brunk	205.3	850.00	821.20	1,671.20
38	Theodore H. Gies	Lawrence Huelle	33.7	110.00	134.80	244.80
39	Raymond Long	do	59.5	60.00	238.00	298.00
40	Kenneth Heald	do	128.6	310.00	514.40	824.40
41	Aubrey Traweek	do	24.6	110.00	98.40	208.40
42	W. H. Roland	do	122.1	320.00	488.40	808.40

RIVERTON PROJECT, WYOMING—AGRICULTURAL PERMITS FOR 3D DIVISION SANDS—Continued

1967—Continued

Unit No.	Original owner	Successful bidder	Irrigated acres	Amount bid	Water payment	Total paid
42A	Frank Brunner	Lawrence Huelle		\$20.00		\$20.00
43	Ferguson-Talbott	Charles M. Jones	220.4	230.00	\$881.60	1,111.60
44	Erhart-Chaney	Kenneth Paskett	194.2	210.00	776.80	986.80
45	Robert Barrett	W. F. Brown	80.0	90.00	320.00	410.00
46	Henry Barrett	do	130.0	130.00	520.00	650.00
47	Edward Marlatt	do	145.9	150.00	583.60	733.60
48	Delbert Edwards	Bruce Lockhart	76.1	100.00	304.40	404.40
49	Neal Tuft	LeRoy Long	76.1	80.00	304.40	384.40
50	Mark Gudmundsen	Ray Schamber	178.7	950.00	714.80	1,664.80
51	Ray Guthridge	Kenneth Fleenor	126.4	200.00	505.60	705.60
52	Richard Hicklin	John S. Cox		350.00		350.00
53	Neal Tuft	LeRoy Long	64.0	500.00	256.00	756.00
54	Merrill Smith	do	116.9	130.00	467.60	597.60
55	DeLorme Llyod	Gaylord Whitt	120.1	400.00	480.40	880.40
56	Harvey Maughan	LeRoy Long	111.9	110.00	447.60	557.60
57	Russell Maughan	do	126.8	130.00	507.20	637.20
58	Grant Butler	Leonard Kosmiski	55.9	60.00	223.60	283.60
59	Clayton Long	LeRoy Long	137.7	160.00	550.80	710.80
60	Merrill Smith	Leonard Kosmiski	59.1	70.00	236.40	306.40
61	Maughan Brothers	LeRoy Long	107.7	110.00	430.80	540.80
62	Grant Butler	Leonard Kosmiski	131.0	130.00	524.00	654.00
63	Andrew Blase	LeRoy Long	117.2	400.00	468.80	868.80
64	Grant Butler	Leonard Kosmiski	127.8	225.00	511.20	736.20
65	Coleman Lease	M. Lewis Tarver	251.7	1,600.00	1,006.80	2,606.80
66	Frank Hollopeter	do	59.5	60.00	238.00	298.00
67	Public land	do	152.1	608.00	608.40	1,208.40
68	do	do	146.9	950.00	587.60	1,537.60
69	Marvin West	Gordon Maxson	140.5	140.00	562.00	702.00
70	LaDell Harrison	Robert J. Rumery	206.2	1,750.00	824.80	2,574.80
71	B. Wilkinson	John Herbst, Jr.	46.4	175.00	185.60	360.60
72	Marvin West	do	26.4	2,000.00	105.60	2,105.60
73	LaDell-Harrison	do	151.1	1,000.00	604.40	1,604.40
74	Trook-Riggs	Robert Rumery	173.9	1,500.00	695.60	2,195.60
75	Alfred Trook	do	131.0	700.00	524.00	1,224.00
76	Allen Talbott	Gordon Maxson	207.3	220.00	829.20	1,049.20
77	Keith Edwards	Robert J. Rumery	89.9	100.00	359.60	459.60
78	Harold Capellan	L. O. White	108.3	400.00	433.20	833.20
79	Carroll Riggs	do	144.3	160.00	577.20	737.20
80	K. & H. Edwards	do	301.3	7,500.00	1,205.20	8,705.20
81	C. Mauersberger	Ray Schamber				
	Subtotal		8,810.3	42,845.00	35,241.20	78,086.20
	Keith Blankenship's home place		102.2		408.80	
	Total		8,912.5	42,845.00	35,650.00	78,495.00

Note: 80 permits, 34 permittees; gross acres, 24,967.31.

Riverton project, 3rd Division—Overall production records

1964:	Gross crop value	\$265,356
	Average value per irrigated acre	46.72
1965:	Gross crop value	337,911
	Average value per irrigated acre	43.02
1966:	Gross crop value	438,795
	Average value per irrigated acre	51.98
	Total gross crop value, 1964-66	1,042,062

3D DIVISION TENTATIVE FARM UNIT LAYOUT, MAR. 18, 1966 (UNDER PRESENT CONDITIONS)

Unit No.	Class 2	Class 3	Class 4	Total Irrigable	Total in unit	Class 1 equivalent
1		192.6	232.7	425.3	950	154.5
2		19.4	276.8	296.2	1,550	78.9
3	92.2	212.9	5.1	310.2	2,000	169.2
4	181.5	22.2	100.4	304.1	630	157.2
5	34.5	78.9	363.5	476.9	1,400	153.3
6	188.6	25.8	59.5	273.9	540	153.5
7	94.9	118.4	131.7	345.0	680	155.4
8	130.9	76.5	27.9	235.3	500	132.5
9	127.7	59.2	50.9	237.8	360	127.5
10	147.6	66.7	61.7	276.0	480	147.2
11	165.1	39.4	15.0	219.5	360	133.5
12	79.3	18.5		97.8	200	62.1
13	162.0	52.5	60.8	275.3	900	149.5
14	164.4	47.6	86.5	298.5	1,000	155.0
15	45.2	213.9	82.1	341.2	590	157.6
16	43.6	70.8	391.0	505.4	1,000	162.2
17	120.7	120.2	77.6	318.5	1,250	160.0
18	24.6	238.9	92.5	356.0	3,250	159.0
19	83.6	206.1	12.6	302.3	600	161.9
20	134.9	62.1	164.4	361.4	860	162.1
21	116.0	91.0	112.1	319.1	1,200	150.9
22	163.8	85.2	2.7	251.7	400	152.5
23	158.7	33.9	19.0	211.6	400	127.5
24	195.7	74.1	17.6	287.4	460	171.9
25	153.2	99.4		252.6	360	151.8
26	191.4	24.2	2.8	218.4	270	140.4
27	156.6	83.3	24.1	264.0	1,120	152.1
28	62.9	184.0	54.4	301.3	500	147.5
29	171.8	35.5		207.3	320	132.3
30	51.7	213.1	77.7	342.5	700	160.4
Total	3,443.1	2,866.3	2,603.1	8,912.5	25,080	

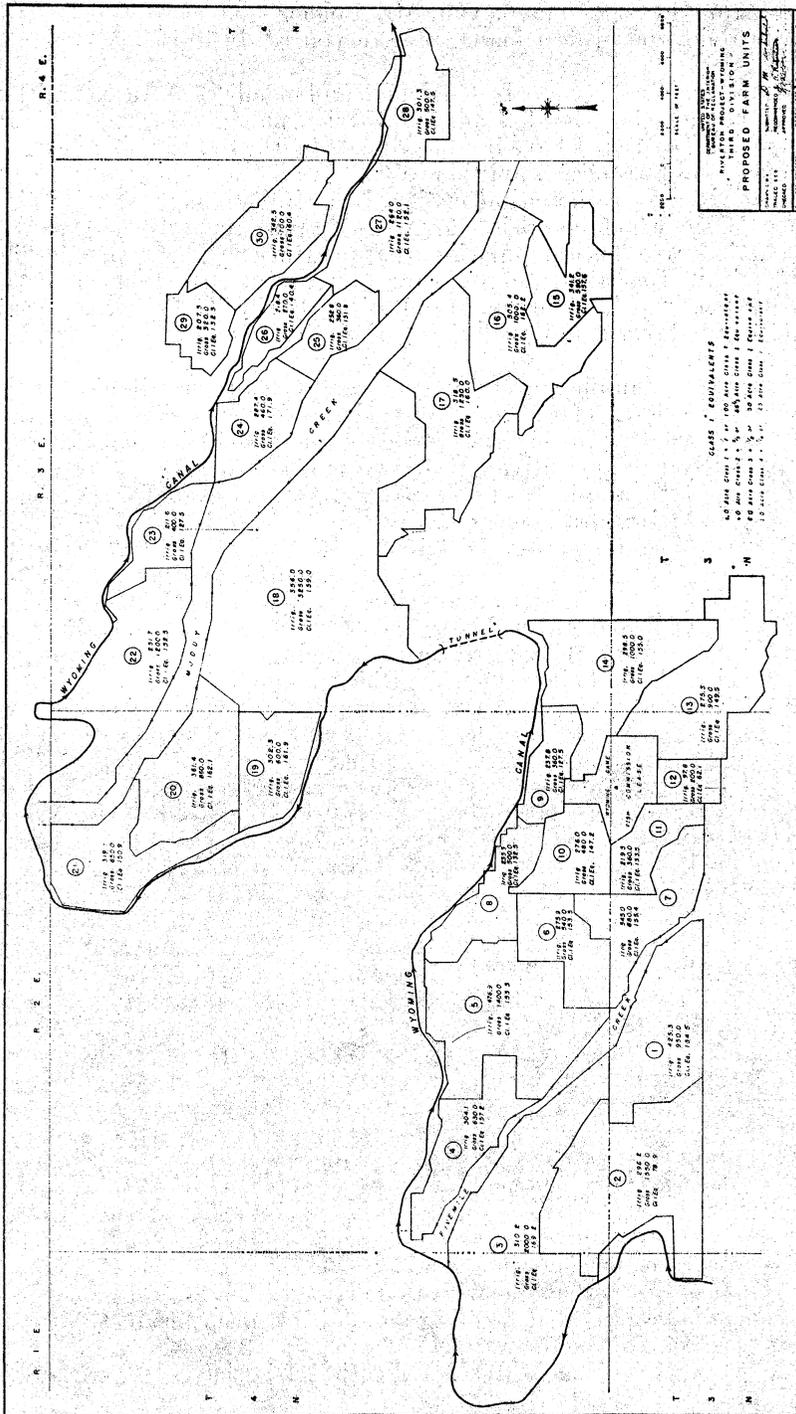
3D DIVISION FARMERS NOW RESIDING ON RIVERTON PROJECT

FARMERS WHO SOLD 3D DIVISION LAND TO GOVERNMENT AND PURCHASED MIDVALE FARM

Farmer	3d division unit(s) sold to United States	Midvale farm purchased
1. Joe Chernick	Units 34, 35, and part of Unit 36	Rudy Neal.
2. Wayne Wilson	Unit 20 and part of unit 36	Jack Long.
3. Ted Geis	Units 7 and 38	Fred Glover.
4. Paul Leonhardt	Unit 25	R. W. Noland
5. Ed Blankenship	Unit 3	Earl Gardner.
6. Alex Weitzel	Units 2, 17, and 30	Gail McCullough.
7. Edward Marlatt	Unit 47	Glen Bartlett.
8. Richard Hicklin	Unit 52	Clair Best.

FARMERS WHO SOLD 3D DIVISION LAND TO GOVERNMENT AND CONTINUE TO OPERATE ORIGINAL MIDVALE FARM

Farmer	3d division unit(s) sold to United States	Midvale operation
1. Carroll Riggs	Units 6, 79, and 74	Lives on and operates original Midvale farm, his son, Dan, purchased Wayne White farm.
2. William S. Wall	Unit 16 and part of unit 23	Lives on and operates original Midvale farm and put in pump land on Midvale.
3. W. H. Roland	Unit 42	Continues to live on and operate Midvale farm.
4. Aubrey Traweek	Unit 41	Still has Midvale farm.
5. Robert Barrett	Unit 45	Do.
6. Henry Barrett	Unit 46	Do.
7. Richard Hicklin	Unit 52	In addition to old place, he kept and still operates he purchased farm from Clair Best.
8. James Barquin	Part of units 12 and 24	Still owns and operates Midvale farm.
9. Harry Waugh	Unit 18	Still owns Midvale farm.
10. Edith Stoops	Part of unit 12	Owns Midvale farm; leased to J. Albrandt.
11. Paul Leonhardt	Unit 25	Owns and operates original Midvale farm in addition to one he purchased from R. W. Noland.
12. Alex Weitzel	Units 2, 17, and 30	Owns and operates original Midvale farm in addition to one purchased from Gail McCullough.



PROPOSED FARM UNITS
 PREPARED BY THE
 DIVISION OF LAND MANAGEMENT
 STATE OF WYOMING
 DEPARTMENT OF LAND MANAGEMENT
 CHEYENNE, WYOMING

GLASS EQUIVALENTS
 40 Acre Class 1.5
 80 Acre Class 2.0
 120 Acre Class 2.5
 160 Acre Class 3.0
 200 Acre Class 3.5
 240 Acre Class 4.0
 280 Acre Class 4.5
 320 Acre Class 5.0
 360 Acre Class 5.5
 400 Acre Class 6.0

Scale: 1" = 1 Mile
 0 1 2 3 4 5 Miles

WYOMING CANAL
 WYOMING CREEK
 TUNNEL

T. 3 N.
 T. 4 N.
 R. 2 E.
 R. 3 E.
 R. 4 E.

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Senator HANSEN. Thank you, Mr. Bogacz.

Roy Reid, the project manager. Are you ready to give your statement, sir?

Mr. REID. Thank you, Mr. Chairman and members of the committee.

My name is Roy Reid. I am the district manager for the Midvale Irrigation District. I have been employed by the district since August 20, 1965, and I reside at Pavillion, Wyo.

The Riverton reclamation project is a vital segment of the Wind River Basin which comprises an area of approximately 7,800 square miles. This area has a population of approximately 28,000 people. The land within the Riverton project represents more than half of the productive crop land in the Wind River Basin. There are approximately 250 farm families deriving their livelihood and residing on the project.

We have an ample supply of good quality water available for the Riverton project. The Wind River above the diversion dam has a drainage area of approximately 2,000 square miles. The estimated runoff annually at Wind River diversion dam is 870,000 acre-feet. This water supply is ample to satisfy all of the appropriated water rights in the Wind River drainage area.

The Midvale Irrigation District itself services 46,244.6 irrigable acres with 54.64 miles of main irrigation canals and 223.37 miles of laterals. The entire irrigation distribution system on Midvale extends for a total of 278.01 miles. There are 335 structures in the main canal system and a total of 3,530 structures serving the lateral system for the district. Part of the present legislation would involve a major rehabilitation and betterment program for the Midvale Irrigation District to repair and replace deteriorated and faulty structures and to complete the canal and lateral lining that was originally designed for the project and that is so desperately needed at this time. With this protective program accomplished, the Midvale irrigation system should prove to be fit for sustained irrigated farming for many, many years to come. The lands within Midvale Irrigation District have undergone a rigorous testing period and have been reclassified several times. With an adequate program of canal lining, drainage construction, and structure replacement, the Midvale area should continue to be a valuable agricultural asset. The cost of rehabilitating Midvale would be far less than the cost of developing new irrigated farmland anywhere in the Western United States.

In 1961, 377 farms were in operation on the project. There were 44,048 acres of land that were irrigated, with a total gross crop value production of \$2,460,000. This is a gross crop value per acre of \$49.70. In 1966, there were 249 farms in operation and 45,547 acres irrigated with a gross crop value of \$2,825,115. This was a gross crop value per acre of \$66.54. It can be seen from these figures that in a 5-year period the irrigated acres increased 1,499 acres, while the number of farms decreased by 128, and the gross crop value increased by \$365,115. The gross crop value per acre increased by \$16.84 in the 5-year period.

It is our opinion that the Midvale portion of the project has proven to be a reliable irrigated farming area with proven productivity and good prospects for the future.

As manager of the Midvale Irrigation District, I am extremely

proud of the personnel employed by the district. There are 26 employees of the district, including myself. The average length of service of the employee is 6 years and 8 months. Nine of the employees have worked for the district for over 10 years. The list of personnel includes ditchriders, heavy equipment operators, shop mechanics, welders, office personnel, and laborers. I would like at this time to insert in the record a list of personnel of the Midvale Irrigation District as of September 30, 1967. This list of personnel shows the name, position, and length of service of each employee of the district.

Senator HANSEN. It may be received.

Mr. REID. In order to adequately operate and maintain an irrigation district of the size of Midvale, it is necessary that the district have a substantial investment in modern equipment. We are pleased to state that the district has an inventory of transportation and heavy equipment that is adequate and maintain Midvale and third division.

At this time I would like to enter into the record an inventory of Midvale's transportation and heavy equipment.

Senator HANSEN. Without objection, it may be received.

Mr. REID. In the last 2 years, Midvale has purchased one new Peterbilt tractor and a LaCross lowboy to transport our heavy equipment throughout the project. Midvale has also purchased one 205 Koehring backhoe, $\frac{3}{4}$ -year capacity, one Hopto truck-mounted backhoe, and four new International dump trucks, 4-yard capacity. Our equipment has a net cash value of \$131,400. Of course, the purchase, repair, and replacement of this equipment must come from our annual operating and maintenance revenues and this item forms a substantial part of our budget.

Each year the board of commissioners of Midvale are required by law to submit a budget estimate for the coming year to the District Court of Fremont County, Wyo. The commissioners determine what their financial needs will be for the ensuing year and on or before the first Tuesday of June of each year they will then submit their budget to the court.

The court fixes a time and place for hearing of objections to the annual report within 30 days after it has been filed. If there are no objections, the commissioners' budget will be confirmed and all of the irrigable acres within the district will be assessed their proportionate share of the annual budget. In the assessments of 1967, each irrigable acre was assessed \$2.75 for a total assessment of approximately \$127,000.

Senator HANSEN. I want to say that, having taken advantage of Senator Jordan's presence here a little while ago, you people have made a real effort, and I am interested in hearing from each of you, and I will be here just as long as it takes. But by the looks of the weather, you may not be too likely to leave very soon anyway. So just proceed as you choose.

Mr. REID. All right, sir.

One point I would like to make, Midvale each year has to have an assessment put on each irrigable acre, and that amounted to \$2.75 per acre. That is the total income to the district of \$127,000.

In addition to the annual assessments, the district derives incomes from the interest on emergency operation and maintenance of the third

division reserve funds required to be maintained by our 1952 repayment contract, water rentals and other miscellaneous sources of income. For the period January 1 to August 31, 1967, the district had received a total income from these sources of \$149,705.46.

In addition, the district has received \$23,632.26 through August 31, 1967, for the operating and maintenance of the third division. Further, the district receives income from work accomplished for water users on the project and for soil and moisture conservation work on Five Mile and Muddy Creek areas. The total costs of operating and maintaining the Midvale Irrigation District, the third division, and performing the other miscellaneous services will run approximately \$250,000 per year.

On March 21, 1966, Midvale Irrigation District contracted with the Bureau of Reclamation for the performance of operation and maintenance work on the third division, and the Cottonwood Bench area for the calendar year 1966. Midvale received from the Bureau the sum of \$26,895.91 by virtue of this contract. In 1967 Midvale continued to operate and maintain the third division and Cottonwood Bench and through August 31, 1967 had received from the Bureau for this service the sum of \$23,532.26.

Midvale has received a total of \$50,428.17 for the operation and maintenance work performed on third division and Cottonwood Bench. This additional activity has been very beneficial to Midvale. The district increased its staff by only one part-time office girl and two additional ditch riders. Midvale was able to absorb this increased workload with the same water master, manager and foreman.

In fact, the additional workload allowed the district to employ their machinery and equipment and existing personnel on a more efficient basis. Our operating and maintenance contract with the Bureau of Reclamation for third division and Cottonwood Bench along with the soil and moisture conservation work done for the Bureau on Muddy Creek and Five Mile greatly assist the district in maintaining qualified personnel throughout the year and allows the district to maintain its machinery and equipment on good working order.

A major feature of this legislation calls for the Midvale Irrigation District to be the one district on the entire Riverton project handling the operation and maintenance. We believe that the operation and maintenance activities of Midvale and third division should be combined. As we have stated before, Midvale has the management, office personnel, field force and equipment to do the required work on the entire Riverton project. Our experience in handling the operating and maintenance work on third division for two seasons has demonstrated our ability to perform these combined activities. Incidentally, the operating and maintenance work on third division in 1966 was done at a cost to the Bureau of \$26,895.91 which was considerably less than the \$32,500, which was the amount estimated by the Bureau for this work.

In the past 2 years, I have become acquainted with the third division irrigation system. It is my opinion that these lands are equipped with excellent irrigation canals, laterals and drains. The system is presently workable without a rehabilitation program. The cost of operation and

maintenance compares favorably with the cost of operation and maintenance of the Midvale portion of the project. We have personally inspected the third division works many times and we feel that the present system as it exists will be good and workable for many years.

In view of our favorable experience in handling the operation and maintenance of third division and in view of our familiarity with the third division irrigation system, we strongly recommend that this legislation be enacted into law which would finally make the entire Riverton project from diversion dam through first, second, and third divisions as integrated and physically related system under irrigation district.

Thank you.

(The attachments referred to follows:)

MIDVALE IRRIGATION DISTRICT

Transportation equipment

- (1) 1947 Dodge Power Wagon
- (1) 1944 Dodge Weapons Carrier w/Weed Sprayer
- (1) 1957 IHC 4 x 4 Pickup w/Welder
- (4) 1960 Dodge Pickups— $\frac{1}{2}$ T.
- (2) 1962 Dodge Pickups— $\frac{1}{2}$ T.
- (1) 1961 Ford Pickup— $\frac{1}{2}$ T.
- (1) 1952 IHC L 190 Tractor w/Winch
- (4) 1967 IHC Trucks— $2\frac{1}{2}$ T.
- (1) 1966 LaCrosse Lowboy
- (1) 1941 Dodge Power Wagon w/Weed Sprayer
- (1) 1951 Diamond T Flat Bed—2 T.
- (1) 1960 Chev. Dump Truck— $2\frac{1}{2}$ T.
- (1) 1958 Chev. Dump Truck— $2\frac{1}{2}$ T.
- (1) 1947 Diamond T Winch Truck—2 T.
- (1) 1947 Dodge Wrecker—1 T.
- (1) 1967 Peterbilt Tractor
- (1) 1960 Ford w/Weed Sprayer

Heavy equipment

- (1) Road Grader, Cat.—Diesel
- (1) 1948 Road Grader—AW
- (1) Bucyrus 15 B Dragline— $\frac{3}{4}$ Cu. Yd.
- (1) Osgood Dragline— $\frac{1}{2}$ Cu. Yd.
- (1) Bucyrus 30 B Dragline—1 Cu. Yd.
- (1) D 8 Tractor
- (2) D 7 Tractor
- (1) Scraper Carryall—12 Cu. Yd.
- (1) Scraper Carryall—15 Cu. Yd.
- (1) Hopto Digger, Hydr. T/Mounted
- (1) Koehring Backhoe
- (1) 1951 Gradall—T/Mounted
- (1) IHC Tractor w/Loader & Backhoe
- (1) Fordson Tractor /Attachments (Blade, Post Hole Digger, Mower, Loader)
- (1) Chattin Ditcher
- (2) 4" Water Pumps
- (1) 6" Water Pump
- (2) $1\frac{1}{2}$ " Water Pump
- (1) 3" Diaphragm Pump
- (1) 2" Water Pump
- (1) Cat. Loader
- (1) Concrete Mixer
- (1) Small Concrete Mixer w/Elec. Motor

- (1) Land Plane
- (1) Ripper
- (1) Jaeger Compressor—A 125
- (1) Hobart 3 KVA Lite Plant
- (2) Mall Universal Elec. Vibrator
- (1) Sand Blast Machine
- (2) Weed Sprayers, Tr./Mounted
- (9) Portable Weed Sprayers
- (1) Space Heater
- (1) Large Propane Weed Burner
- (1) Small Propane Weed Burner
- (1) 1963 Flexible Sewer Rodder
- (1) Floating Dredge
- (1) Chain Saw

MIDVALE IRRIGATION DISTRICT—LIST OF PERSONNEL AS OF SEPT. 30, 1967

	Name	Position	Length of service	
			Years	Months
1.	Kenneth Anderson	Shop mechanic	3	10
2.	Raymond Davis	Tractor-trailer driver		6
3.	John Dewey	Ditchrider	3	8
4.	Charles Dike	do	2	1
5.	Earl Dodrill	do	16	2
6.	Leroy Douglas	Gate tender	13	8
7.	Wesley Fink	Operator	12	2
8.	Perle Grothouse	do	16	8
9.	Norman Harebo	do	16	
10.	Victor Hughes, Jr.	Foreman		7
11.	Caroline M. Jacques	Part-time clerk	1	6
12.	Jack Manley	Ditchrider	1	6
13.	Forest A. Morgan	Watermaster	15	9
14.	Judith Morss	Clerk	12	3
15.	Leverne Olheiser	Welder and mechanic	3	5
16.	Roy R. Reid	Manager	2	2
17.	Raymond Roden	Campman	8	8
18.	Arthur Rohn	Ditchrider	8	6
19.	Clyde A. Rood	do	1	6
20.	Donald Schamber	Laborer		5
21.	Eugene Schamber	Ditchrider	1	
22.	Harold L. Six	Operator	10	1
23.	R. L. Smith	Barge operator		4
24.	Geraldine Vermillion	Bookkeeper	11	6
25.	John Wempen, Jr.	Ditchrider	7	7
26.	Jerry White	Laborer		4

Note: Average length of service per employee, 6 years, 8 months.

Senator HANSEN. Thank you very much, Mr. Reid.

You have gotten right down to the nuts and bolts in your statement, calling attention to the day-to-day problem of operation, maintenance, repairs, so that the economies that surely will result from enlarging this project can be more clearly portrayed and understood.

I compliment you on a very excellent statement, and as I said, it will be reprinted in full in the record, so that all may become aware of and familiar with what you have said.

Now, Mr. White, you were scheduled at this point. I appreciate the fact that you have spoken earlier. I gather that you simply switched places around according to the agenda.

Mr. WHITE. Yes. I have completed my statement, Mr. Chairman.

Mr. Davison is next.

Senator HANSEN. All right.

Mr. DAVISON. Mr. Chairman, members of the committee, my name is Gideon W. Davison. I reside on a farm 4 miles north of Riverton, Wyo. I have spent my entire life in agriculture in the Riverton area and on the Riverton reclamation project. My father homesteaded 160 acres in the Missouri Valley in 1906. That was the time of the opening of the reservation, and we started irrigating this land in 1932, from water from the Midvale Irrigation District.

My biographical sketch appears on pages 14 and 15 of "Those Remarkable Men of Midvale." This was a publication distributed to members of this committee in 1966.

My brother Willis and I are partners in a livestock and farming operation. We bought 320 acres in Hidden Valley while it was still in sagebrush. We pump irrigated this land from the Big Wind River in 1946, 2 years before we received water from the Midvale Irrigation District. In addition my brother and I are agricultural lessees of 1,034.99 acres of land from the Bureau of Reclamation in the Cottonwood Bench area of the Riverton reclamation project. This is our 12th year for this lease.

The Riverton reclamation project includes more land than the Midvale Irrigation District and the old Third Division Irrigation District. All of the land east of the third division to the Boysen Reservoir is included in the project and is generally known as the Cottonwood Bench and Muddy Ridge areas.

I am the president of the Cottonwood Bench Association. This association is a group of 17 Midvale farmers who hold temporary agricultural permits in the Cottonwood Bench area of the project. This area includes 6,078.47 acres. There are 2,796 irrigable acres and 3,282.47 acres of dry land. I would like to introduce a map of the Cottonwood Bench leases at this time and a schedule showing the names of the 17 permittees, the acreage in each permit, and the amounts paid as rentals for these permits in 1967. My brother and I have units 17 and 18 leased as shown on the map and schedule.

Senator HANSEN. Without objection, it will be received.

Mr. DAVISON. When the Bureau experienced difficulties with the third division, they ceased development of the Cottonwood Bench area. At this point, however, they had completed the entire irrigation system, except for some drainage work, so that the lands were ready for agricultural production. In 1955 the Bureau leased this area to local Midvale water users for two successive 5-year periods. The leases were due to expire December 31, 1965, and the Bureau, because of the uncertainty of the future of the project and the need for drainage, indicated to the lessees that these agricultural leases would not be renewed.

The lessees held a meeting in Riverton, Wyo., on January 15, 1965, and formed the Cottonwood Bench Improvement Association for the immediate purpose of having their leases renewed beyond December 31, 1965, and ultimately to purchase these leased areas from the Government.

The association's first objection has been realized. The Bureau has issued temporary agricultural permits to the association members for 1966 and 1967 and we have been offered renewals for 1968.

The Cottonwood Bench lessees are all Midvale farmers who support the legislation before this committee because this legislation would authorize the Bureau to sell these lands and it would enlarge the present acreage limitations. The land-equivalent formula in this legislation would put us in a position to purchase these Cottonwood Bench lands and still retain our Midvale farms.

The Cottonwood Bench lessees want the opportunity to purchase these lands. We know they are capable of sustained irrigation farming. My brother and I have raised potato crops on our lease that have run over 200 sacks to the acre over a 3-year period. Our lease produces good crops of hay, corn silage, and grain, providing forage for winter feeding of our livestock. Other crops grown on these leases are alfalfa seed, beans, and other small grains. Our land on Cottonwood Bench has been very valuable to us as a supplement to our overall operation and I am sure the other lessees consider these lands a profitable part of their farming units.

The lessees, over 12 years, have made many improvements on their Cottonwood Bench leases—such as many miles of fencing, leveling, installation of culverts and cattle guards, water wells, and corrals. Considerable money has been spent in fertilizer and noxious weed control. The lessees have also paid annual charges to the Bureau of Reclamation for operation and maintenance for water delivered to these lands. The schedule I introduced earlier shows that \$11,184 was paid for operation and maintenance in 1967 which is a typical annual payment paid by the permittees for the past 12 years.

These improvements and expenditures have been made over and above the rental payments because the lessees have satisfied themselves that these lands are productive and economically feasible for agricultural purposes.

As I stated earlier, the drainage work on Cottonwood Bench was not completed by the Bureau of Reclamation. The association recognizes that some drainage work will have to be done. At the present time about 550 acres are in need of drainage. We have made an independent inquiry into this drainage problem and have determined that it could be corrected. Mr. Robert E. Heward, work unit conservationist for the Riverton office of the Soil Conservation Service, has confirmed this finding in a letter to the association dated November 21, 1967.

Mr. Chairman, I would like to introduce this letter into the record at this time.

Senator HANSEN. Without objection, it may be received.

Mr. DAVISON. We have investigated the possibility of constructing an open drain to serve this area and we believe that such a drain would cost approximately \$40,000. The association further believes that if the lands were put in private ownership the landowners could construct such a drain in cooperation with the Agricultural Stabilization and Conservation Service. This agency could share in the construction of such a drain up to one-half of the cost thereof. We have investigated the possibility of this assistance and have received a letter from Ivan J. Sackman, office manager, Agricultural Stabilization and Conservation Service, dated October 9, 1967, which generally endorses

this type of a conservation program in cooperation with private landowners.

Mr. Chairman, I would like to insert this letter into the record at this time.

We believe that these lands on Cottonwood Bench as well as on third division should be returned to private ownership as contemplated by this legislation as soon as possible. Obviously, land in private ownership will be better managed and will have higher sustained land use through proper fertilization, crop rotation, greater weed control, and other good farming practices.

Everyone would benefit by having these leased lands in private hands. The greater productivity flowing from private ownership would increase the taxable wealth thereby benefiting local schools, the Fremont County, State of Wyoming, and the United States.

The continued agricultural use of third division, Cottonwood Bench, and Muddy Ridge areas is essential to recreational features of the area. Lake Cameahwait, commonly known as Bass Lake, is a small body of water covering approximately 350 surface acres and is located in the Cottonwood Bench and Muddy Ridge areas of the project. This lake is located in the lower right-hand corner of the map previously introduced. This lake depends entirely upon irrigation waste return flows for its water supply, originating, of course, from the project.

Bass Lake is an excellent habitat for rainbow trout with plenty of natural feed. The lake is well stocked and is a popular fishery the year around. It also is excellent for boating, water skiing, and picnicking. The Wyoming Game and Fish Commission is vitally concerned with the continued agricultural use of the area not only for the preservation of Bass Lake but for the foliage, potholes, marshes, and drains resulting from the irrigation system. These features benefit upland game birds and waterfowl, thereby creating an excellent area for hunting.

I am vice president of the board of directors of the Riverton Valley Electric Association, Inc., Riverton, Wyo. I have been a member of the board of this organization and also a director for 18 years. This rural electric cooperative provides area coverage for the entire Riverton reclamation project. The co-op has built lines throughout the project and has 94 meter or member locations on third division alone. The co-op has constructed 33 miles of line to serve this area. The total investment is estimated to be \$79,430 based upon an average cost of \$845 per service. Since the third division buy-out, only 29 locations are still active and 65 are idle. These idle services represent a loss of annual revenue to RVEA of \$9,400, according to the co-op's manager. The investment in these electric lines has been spent and the co-op is obligated to repay this expenditure to the United States through the Rural Electric Administration. The lines are energized to serve the 29 active locations. The loss of revenue from the 65 idle meters has caused a great hardship on the co-op since 1964. Mr. Chairman, I would like to enter into the record at this time a letter from W. S. Comings, Jr., manager of the Riverton Valley Electric Association, addressed to Midvale Irrigation District detailing the co-op's investment and loss of revenue resulting from the third division buy-out.

I have the letter from the manager of the REA sustaining the findings of the Midvale Irrigation District, and I would like to introduce that in the record.

Senator HANSEN. Without objection, it will be received.

Mr. DAVISON. Talking about the Wyoming Fish and Game Commission in this way, this is one of the best spots in our area for all-around sports, fishing and all that. By all means let's not give that up. Let's not let anybody have that. It is close to the lake, close to the highway, it is the best tourist attraction that we have in our area.

There are other places where the same thing can be done in the Riverton project and should be done, and this \$1,100,000 that is to be charged to recreation, the \$50,000 that our State has offered to pay, is just chickenfeed in my book for what we could develop on the river project for hunting and fishing. So let's not lose that. Let's keep that. They can lose us farmers but they can't get rid of that.

On behalf of the Cottonwood Bench Improvement Association and the Riverton Valley Electric Association, I respectfully request that this committee favorably consider the Riverton reauthorization legislation.

Thank you.

(The documents referred to follow:)

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE,
Riverton, Wyo., October 9, 1967.

Mr. G. W. DAVISON,
Route 1,
Riverton, Wyo.

DEAR MR. DAVISON: You recently inquired about the status of the Third Division lands, in regards to their being eligible for cost-shares under the Agricultural Conservation Program. This land at present belongs to the United States Government.

Crop land, owned by the United States, or a Cooperation wholly owned by it, is eligible for cost-shares, *only* if a "private person" is farming it. A private person excludes State or Federal Agencies.

As you realize, since the United States Government purchased back the lands in Third Division, they have in turn leased this land to private individuals for one year at a time. These leases have been renewed yearly since the ground was repurchased. Since the government gives only one year leases to private individuals, the individuals are reluctant to spend their own funds carrying out needed conservation work on these units. This is particularly true in regards to the more permanent type practices, such as ditch lining, land leveling and drainage. Therefore, as you can see, individuals leasing these lands with a one year lease, are not going to carry out the needed conservation work. Another factor that would enter into the carrying out of conservation practices on this land would be the reluctance of the County ASC Committee to cost-share on these practices when they do not know the future status of this land. The County Committee, due to a limited amount of ACP funds, is careful to allocate these funds to where they feel the most beneficial results will be received towards soil and water conservation. Naturally, they would be hesitant to approve cost-shares, should a lessee request such, for carrying out conservation work in this area. When these lands were owned by private individuals, they had received approximately \$100,000.00 in cost-shares through the ACP program for carrying out conservation work. Much of this was for land leveling, ditch lining, etc. Naturally, all persons concerned would like to see this investment protected. Some of the conservation practices carried out, need normal maintenance, which they have not had during the last few years.

Should the Congress make a decision to return these lands to private ownership, there is no reason that I can foresee, why these lands would not be eligible for cost-sharing in carrying out conservation practices under our program. I feel that should they be returned to private ownership, the individuals acquir-

ing the lands and the County Committee would work closely towards carrying out needed conservation work.

Should you have other questions concerning this land and our programs, please feel free to ask.

Sincerely,

IVAN J. SACKMAN,
Office Manager
(For Fremont ASC County Committee).

COTTON BENCH PERMITS

Unit No.	Permittee	Gross acres	Irrigable acres	Vacant acres	1967 rental	1967 O. & M. cost	Total 1967 cost
1	Not leased.....						
2	E. H. Marlatt.....	160.78	39.00	121.78	\$51.20	\$156.00	\$207.20
3	George Pingetzer.....	160.00	100.00	60.00	106.00	400.00	506.00
4	Bruce R. Lockhart.....	147.90	126.00	21.90	128.19	504.00	632.19
5	Claude B. Briddle.....	301.20	130.00	171.20	147.12	520.00	667.12
6,8	Donald E. Lockhart.....	507.50	279.00	228.50	301.85	1,116.00	1,417.85
7	Myron C. Jarvis.....	180.00	10.00	170.00	27.00	40.00	67.00
9	Henry L. Barrett.....	365.00	150.00	215.00	171.50	600.00	771.50
10	Melvin B. Johnsen.....	245.00	175.00	70.00	182.00	700.00	882.00
11	Arlene V. Hicklin.....	205.60	80.00	125.60	92.50	320.00	412.50
12	Herbert T. Burden.....	297.50	220.00	77.50	227.75	880.00	1,107.75
13	John H. Brockmann.....	452.00	242.00	210.00	263.00	968.00	1,231.00
14	Ernest Pingetzer.....	457.00	230.00	227.00	252.70	920.00	1,172.70
15	Marvin Devish.....	388.00	288.00	100.00	298.00	1,152.00	1,450.00
16	William F. Herbst.....	405.00	59.00	346.00	93.60	236.00	329.60
17, 18	Davison Brothers.....	1,034.99	378.00	656.99	443.70	1,512.00	1,955.70
19	Melvin Devish.....	532.00	230.00	302.00	260.20	920.00	1,180.20
20	Ivan D. White.....	239.00	60.00	179.00	77.90	240.00	317.90
Total.....		6,078.47	2,796.00	3,282.47	3,124.21	11,184.00	14,308.21

RIVERTON VALLEY ELECTRIC ASSOCIATION, INC.,
Riverton, Wyo., October 23, 1967.

Subject: Loss of revenue in third division.

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo.

GENTLEMEN: The Riverton Valley Electric Cooperative is a Rural Electrification financed cooperative serving most of the Western part of Fremont County under certificates granted by the Wyoming Public Service Commission, the Wyoming State Regulatory body. Service to the third division is included as part of Riverton Valley Electric's certificated area.

Riverton Valley Electric Association built 33 miles of line to serve approximately ninety-four (94) farm locations on the third division. Sixty-five (65) of these locations are now idle as a result of the farms being purchased by the Federal Government.

Riverton Valley Electric Association has \$3,129,470 invested in distribution plant with a total of about 3700 services including idle ones. This is an average of about \$845.00 per service. Riverton Valley Electric Association therefore has an investment of 65 x \$845.00 or \$55,000 in idle services which are producing no revenue but the maintenance, operation and amortization and interest must be borne by the balance of the members.

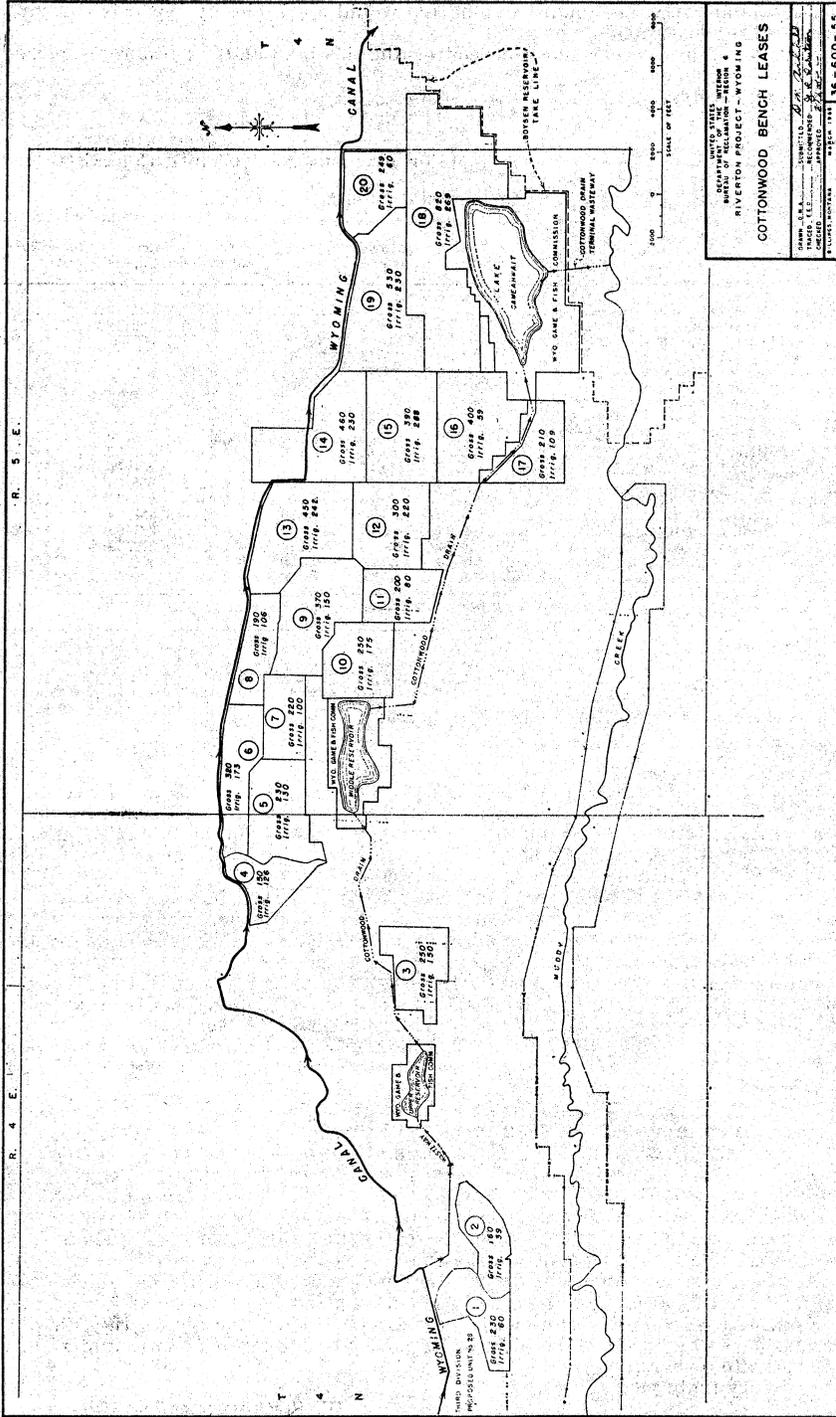
In 1966 Riverton Valley Electric Association had \$255,176 gross revenue derived from an average of 1752 farm and home members. This averages out to \$145.00 per year gross revenue per farm and home member. *The sixty-five idle farms in the third division, if they had used the average kwh per year, could have meant an additional gross \$9,400 revenue to Riverton Valley Electric.*

These are the direct economic losses to Riverton Valley Electric Association as a result of the sale of these farms to the Federal Government. There is a large economic loss to the entire area that is harder to evaluate—the loss in the two school districts and the loss to the county. All these services which were available to this area have to be maintained by a reduced number of farm units.

For these reasons Riverton Valley Electric Association requests the Midvale Irrigation board to do everything in its power to get these farming units back into private ownership.

Very truly yours,

W. S. COMINGS, Jr., Manager.



UNITED STATES OF AMERICA
 DEPARTMENT OF THE INTERIOR
 BUREAU OF RECLAMATION
 RIVERTON PROJECT - WYOMING
COTTONWOOD BENCH LEASES
 DRAWN BY: [Signature]
 CHECKED BY: [Signature]
 TITLE: [Signature]
 DATE: 1/1/16
 SCALE: 600'-5"

U.S. DEPARTMENT OF AGRICULTURE,
SOIL CONSERVATION SERVICE,
Riverton, Wyo., November 21, 1967.

Mr. G. W. DAVISON,
President, Cottonwood Bench Improvement Association,
Riverton, Wyo.

DEAR MR. DAVISON: A check of the standard soil survey of the Cottonwood Bench made by the Soil Conservation Service in 1962 and 1963 shows approximately five hundred and forty two acres of irrigated land with a saline high water table.

About five hundred and twenty five of these presently wet and saline acres are of soil types that can be successfully drained. Approximately four hundred and twenty acres are mapped as the Apron sandy loam, imperfectly drained, saline phase and one hundred and three acres as the Trook sandy loam, saline phase. Both of these soil types are underlain with permeable gravels at depths ranging from two to four feet. Drainage of these soils is feasible and reclamation usually a relatively simple matter.

About forty acres of the wet area is contained in shallow ponds or potholes which are not feasible to drain.

Sincerely,

ROBERT E. HEWARD,
Work Unit Conservationist.

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For these reasons Riverton Valley Electric Association requests the Midvale Irrigation board to do everything in its power to get these farming units back into private ownership.

Very truly yours,

W. S. COMINGS, Jr., Manager.

Senator HANSEN. Thank you very much, Mr. Davison, for your statement which you have made.

Mr. PECK, are you to testify next?

Mr. PECK. I have testified.

Senator HANSEN. I know you spoke earlier this morning. You have nothing further to add to the statement that you made this morning?

Mr. PECK. Mr. White does.

Senator HANSEN. All right. Fine.

Mr. WHITE. Mr. Chairman, that completes the testimony from Midvale Irrigation District and the Cottonwood Bench Association, but I would like at this time to make a statement if I may.

Senator HANSEN. Yes, indeed, you may.

Mr. WHITE. This morning in the testimony some statements were attributed to Senator Simpson, generally stating that he viewed all of the third division to be not worthwhile, and should be abandoned, and I think that, to correct the record, it would be proper and fair to state that in his statement to the subcommittee in a hearing on Senate bill 2035, held October 29 and 30 of 1963, he stated, and I quote:

The Third Division, 11,831 acres, in part has not been as successful. Mark that, I say in part.

I would like to say in fairness to Senator Simpson that his opinion as expressed this morning, this more clearly expresses, I think, what his opinion is rather than the general statement that the entire third division should be abandoned.

Senator HANSEN. Thank you very much, Mr. White.

Mr. ANGLIN. Mr. Chairman, may I make a further statement?

Senator HANSEN. Yes, indeed, you may.

Mr. ANGLIN. This is Fred Anglin speaking again. In my opinion, this morning Senator Anderson had some difficulty conceiving the concept of 160 acres of No. 1 land or the equivalent thereof. My original purchase in this area was 160 acres of land, and when they got around to classify it, it was a very poor classification on this land.

I stated in my statement that I have 320 acres of land, which I do have, but I still lack 160 acres of the equivalent No. 1 land at the present time.

The reason we need more land is that we have sons coming up, we have families who want to get started. They have been born and raised in this area. They understand all the problems that are here. Some of us are in a condition to help our sons get started with the equipment and financing.

An additional 160 acres of equivalent No. 1 soil would be quite an asset in my operation. We have to run our sheep the year around on our irrigated land. It should be producing feed for winter feed, and if we could get another 160 units equivalent No. 1 land, I think this will apply to many of the farms on Midvale Irrigation District where a lot of this land isn't fit for sustained production, it would enable us to get our livestock off of the land so we can produce a bunch of feed for winter operation, which would enlarge all of our operations in our area.

Thank you.

Senator HANSEN. Thank you, Mr. Anglin.

Let me say that we are expecting a rollcall here momentarily. I say that because I am well aware that there are yet to be heard Mr. Oscar Barnes and Reno Long, and I have a statement that I would like to make also. The last word we had was that around 3:30 this afternoon would likely be the time for a record vote.

To give some balance and perspective to these hearings, I ask that we refer back to the hearing record of the Senate Interior Committee on S. 2305 in the 88th Congress, first session dated October 29 and 30, 1963.

First, let me point out that S. 2305 of the 88th Congress was originally intended and introduced as a total package to reauthorize the entire Riverton project, and to provide for the rehabilitation funds that are now sought in the legislation before this Congress in S. 670.

Unfortunately S. 2305 of the 88th Congress went astray, and the buy-out occurred. The reauthorization and rehabilitation as originally contemplated by S. 2305 never was accomplished, however, and it is this by way of perspective which is pending before us now.

In 1964 the Riverton area was promised by Congress that it would give its attention to such reauthorization and rehabilitation. This it appears to me is the major piece of unfinished business before the Congress.

By way of further perspective, I ask that two editorials from the Riverton Ranger dated September 17, 1963, and October 9, 1963, be brought to the attention of this committee. These editorials reflect the opinion of the Riverton community during the pendency of the Riverton project legislation in 1963 and 1964.

I am hopeful that such a community expression as this will serve to dispel the misimpression that all of the third division was bad or for that matter that all persons considered that abandonment of the entire third division was the only answer.

[From the Riverton (Wyo.) Ranger, Sept. 17, 1963]

Editorially Speaking—

FARM EQUILIBRIUM

While most Riverton project farmers are working hard to complete the harvest of what may be a record 1963 crop, testimony is being taken in Washington concerning the future of farming in this area.

For 10 years, since some of the first dreams of veteran homesteaders went sour, the third division of Riverton project has been under a direct attack by a group of articulate settlers. Their voices have been amplified by the Rocky Mountain News and Scripps-Howard newspapers. Their case against reclamation has been given some credence when constant attention has been focused on errors made by the bureau.

Throughout the campaign to discredit Reclamation, the main group of farmers who make their living farming have remained strangely silent. Individually, men with faith in farming the Reclamation lands in this area have defended farming in this area. Collectively, work has been done toward a sugar factory. Businesses dependent upon farming have continued to expand, and the good farmers continue to make good. But the success stories remain untold.

The winners in the publicity battle are clearly the spokesmen for third division who are trying to prove that the Government misrepresented the lands offered for homesteads, that their economic plights is the fault of the Bureau of Reclamation and the U.S. Government. They believe they are entitled to recompense for the years they spent trying to farm.

Perhaps it is this hope for a payoff that has kept others who believe in farming quiet throughout much of the long battle. The men leading the battle for third

division's closing have tried to create a picture of utter desolation and failure, a failure that they maintain would come because of soil conditions, no matter what efforts they might have made.

The situation is further complicated by the fact that Midvale Irrigation District has been working throughout this time for a program of rehabilitation, drainage, canal lining and structure replacement on Midvale. This program would cost several million dollars.

Could you imagine a more explosive situation than there is today in Washington? Congress is tired of hearing about the plight of the Riverton project as painted by the third division detractors. They have demanded a solution. Presented as the answer is a program calling for expenditure of several millions of dollars.

Representative Haley of Florida says the lands should be abandoned and let the ducks paddle around. The Bureau's spokesman Johnson testifies that "with-out completion of canal lining, drains, and structure rehabilitation, the Riverton project can be expected to deteriorate progressively and rapidly to the point of virtual abandonment."

Riverton people remember the hearings conducted by Senators Hickey, McGee, and Burdick in Riverton at which time no favorable testimony was permitted without strong objection.

Wouldn't it be a hilarious development, if, while most of the project farmers were hauling a record crop to market, Congress decided to take the advice of the third division people and abandon not only third division but the whole project?

Sound ridiculous, doesn't it, but to read the headlines, hear the speeches of the critics, one would think there's no good side to tell about Reclamation farming around Riverton. If any farmers are doing well on Midvale or third division, it might be well to speak up, before the case is so badly overstated that something drastic and calamitous takes place.

It would be good for morale if some farmers would tell this newspaper a success story about farming to help restore the equilibrium.

[From the Riverton (Wyo.) Ranger, Oct. 9, 1963]

Against abandonment—

CHAMBER TAKES STAND FOR IMPROVEMENT OF PROJECT

The Riverton Chamber of Commerce, by action of its board of directors and agricultural committee, has urged Congress to take a stand for continued improvement, not abandonment of the Riverton irrigation project.

In a letter addressed to Senate and House leaders, the chamber said irrigated farming has been the mainstay of the Riverton economy during all of its 57 years.

The chamber pointed out that some lands have gone bad.

"But for the most part, good farms, operated by people with a desire to farm, plus the capital and the know-how to carry out their aspirations, make up the biggest part of the Riverton projects," the chamber said.

In regard to third division of the project, where the commissioners contend the project is unfeasible and should be abandoned, the chamber said it trusted that the Congress would be fair in correcting injustices.

"But it is our sincere opinion that there are farmers who can successfully operate a good share of the third division lands, make a reasonable return for their efforts, and repay a reasonable amount to the Government for the Bureau's investment in the area," the letter said.

"It is certainly in this area's interest that the question of third division's future be decided. The persistent attacks on the project's feasibility by those convinced they cannot make a go of farming undermines the confidence others have in their own abilities and in their land," the letter said.

"The tendency of news media to headline the adverse criticism has damaged the reputation of one of the best farming areas in the West. Contrary to the impression many have that Riverton project is about to be abandoned as a failure, most of the good farmers are harvesting record crops this year.

"Our remarks are not made with any intention of sugar-coating. Nor would

we minimize the problems that go with farming in a new irrigated area, remote from markets and the services of a city."

The letter said that the Riverton chamber stands with those with faith in the agricultural potential of our whole area. The chamber urged the Congressmen to make sure a way is open for those wanting to leave the farm, to leave.

"But we trust your stand will be on the side of those making the effort to improve the native resources.

"This is a good project, comparing most favorably with many others. We urge your support on the side of continued improvement not abandonment," the letter concluded.

The decision to take the stand came at the board of directors meeting. The letters went out over the signatures of Dr. W. R. Lansing, president, and Bruce McMillan, chairman of the agricultural committee.

Senator HANSEN. Mr. White has referred to a portion of former Senator Simpson's testimony in the Riverton project legislation which he made on October 29, 1963. In the interest of making the record as complete as possible, and to assure that the position of Senator Simpson is not misunderstood, at this time I ask that Senator Simpson's entire statement before this committee be included in the record at this point.

(The statement referred to follows:)

STATEMENT OF HON. MILWARD L. SIMPSON, A U.S. SENATOR FROM THE STATE OF WYOMING

Senator SIMPSON. Thank you, Mr. Chairman and members of the committee.

I might say parenthetically, in light of the observation made by my colleague from Wyoming in respect to the attitude indicated in the questioning by the distinguished Senator from Colorado, Mr. Allott, that there is a method certainly to resolve this thing, and I think we are getting closer to it all the time.

My idea is that the method is that embodied in the bill now before you, together with companion bills that refer to this project. By that I mean that what we need is reauthorization and additional work, with appropriation to cover it, in the places where it is needed.

There certainly must be a consolidation, because some people, some of the settlers on the project, have been duped, and I think I use the word advisedly, by the representations made with respect to the character of the lands, and some of them will be of necessity have to get off. And I think that my statement will disclose the solutions that we have in mind.

Thank you for permitting me to speak to you at this time. I appreciate the opportunity of appearing before this subcommittee to discuss a problem which is so important to an area of Wyoming, the economy of the State, and most important of all, to those farmers who live and work on the lands of the Riverton reclamation project in Fremont, County, Wyo. I am grateful that the subcommittee has been able to set this hearing, at this early date, to consider our problem.

Wyoming Governor Clifford Hansen, in forwarding the report of the Wyoming Natural Resource Board, has made a clear and cogent statement in supporting the provisions of the bill we are discussing today and its companion measure, H.R. 8171.

I concur in the endorsement these provisions have received by the Governor, by the natural resource board, by the Wyoming Development Association headed by the Honorable Marlin T. Kurtz, of Cody, by the Riverton Chamber of Commerce, and by many others.

Incidentally, I might say that Mr. Whitacre, of the staff, advised that the resource board report and the Governor's letter is here.

Senator MOSS. We will place the report in the record after your testimony.

Senator SIMPSON. The Riverton reclamation project has been in and out of Congress since 1917. Today we are once again faced with the decision of determining the future of this project which has been plagued by so many adverse conditions.

In spite of the conditions of a short growing season, alkalinity of the soil, and drainage and seepage problems, the economy of Riverton and of Wyoming is deeply involved with the success of the Riverton reclamation project.

The Riverton project consists of 57,184 acres of irrigable lands served by water diverted from the Wind River. The Riverton project has two divisions. The Midvale Irrigation District, 45,353 acres, has been for the most part successful. This year, in fact, its crop yields set a new alltime record.

The third division, 11,831 acres, in part, has not been as successful.

Mark that I say in part.

Again this year this subcommittee reported out a bill, which is now law, which authorized the Secretary of the Interior to bring water to the third division because the board of commissioners of the third division has refused to enter into a repayment contract for any part of the project construction costs.

This third division project has created some difficulties, and in general it has a poorer class of soils than the Midvale project. The Midvale project was developed during the period between World War I and World War II. The third division was developed after World War II. Originally the Riverton project consisted of 106,451 irrigable acres, but its present operating size is 57,184 acres.

Public Law 83-258 allowed for an adjustment of land with the entrymen and consequently we have had the reduction in size of the project. Public Law 83-258 has only partially accomplished the job it was supposed to accomplish, due at least in part to the continued seepage of water from canals and laterals, poor irrigation practice of the settlers, the lack of time for drainage effects to be felt, and problems associated with continued drainage and the alkalinity of the soil.

On the Midvale district, a total of almost \$4 million has been expended, the work is 89 percent completed, and all funds remaining under presently authorized programs have been exhausted.

This rehabilitation and betterment program falls short of completing the fiscal job of conserving and protecting the developing land resources which remain. Approximately 20 percent of the Midvale irrigable land is now adequately reclaimed to protect against waterlogging and salination by the canal building and drains that have been installed.

In the third division district the drain completion work has been a part of the regular construction program. This work has been stopped. It cannot be resumed until a repayment contract is entered into, and until the project is reauthorized. Plans for completing his system must go forward rapidly if the Riverton land resource is to be restored and preserved.

Because the House Interior and Insular Affairs Committee realized that the Riverton reclamation project, as well as other Wyoming projects, were in dire need of reauthorization, or at least additional work, it recommended that the Secretary of the Interior appoint a five-member review commission, referred to as the Wyoming Reclamation Projects Survey Team, to study and recommend action which would assist in the proper development in the State of Wyoming.

The bill that we now have before us is the result of the recommendations made by the survey team. This bill was prepared by the Bureau of Reclamation. It is the Bureau's hope and the hope of others, that the bill will solve the problems that do exist on the Riverton reclamation project.

I think the most significant recommendation is that the Riverton project be reauthorized as a participating unit of the Missouri River Basin project. Such a reauthorization will make financing available to complete the work needed to protect the land resources. It would permit substituting repayment contracts for a term of 50 years for those now in effect in the Midvale district, which would otherwise run for 108 years.

In order to supply a family supporting farm, some additional adjustments in farm boundaries will be necessary to compensate for land that has seeped in the past 3 or 4 years. A case-by-case review must be made to identify uneconomical farm units. The basic formula should be predicated on a diversified crop livestock enterprise.

Mr. Chairman, I should like to quote from an exhaustive study of this subject made by the Wyoming Natural Resources Board, an agency that has contributed greatly to the natural resource development of the State.

In a 2,500-word report, the board concluded on page 5 that:

"In summary, the natural resource board considers H.R. 8171 essential to the Riverton project, and to the economy of the State of Wyoming in utilizing these water and land resources. The board further invites the Interior and Insular Affairs Committee of the Congress their sincerest considerations of the basic

problems involved and the potential development afforded in this proposed legislation."

And in the interest of brevity, Mr. Chairman, I am going to defer reading the balance of those, because they are in the report of the Natural Resource Board of the State of Wyoming.

In June of this year, I introduced a bill which would give the District Court of the United States for the District of Wyoming original jurisdiction of civil actions filed on behalf of veteran entrymen and their heirs who own farms on the Third Division Irrigation District.

The purpose of this bill would be to permit those owners to file suit in tort or contract for the recovering of any damages which may have been the result of misrepresentation given to them about the classification of the land on the third division.

Since introducing that bill, I have been requested by entrymen on the Midvale District to be included in it. I have no objections to broadening the provisions of my bill, S. 982. It is likely that it can be proven that some of the entrymen did not get lands equal to the lands which were represented to them as being on the Riverton reclamation project.

I am grateful to the subcommittee for holding these early hearings, and for giving consideration to the problems we, in Wyoming, experience. I am hopeful that a solution can be reached which will be satisfactory to all those concerned. I do not feel that it is fair to condemn the whole of the Riverton project because some of the lands have gone sour.

With the proper corrective measures that can be made, lands that have proven their productivity and lands that can be retained from becoming unproductive, this vital resource can continue to serve as an important economic factor in the future growth of the Riverton area.

Thank you very much, Mr. Chairman and members of the committee.

Senator HANSEN. I would also ask that there be included in the record the following insertions that were introduced by Senator Simpson at that same time.

I am referring to the hearings on S. 2035 before the 88th Congress on October 29 and 30. I ask first that a letter to Senator Henry Jackson, chairman of the Senate Interior Subcommittee from Dr. W. R. Lansing, who was then president of the Riverton Chamber of Commerce, be inserted, that my letter written as Governor to the Honorable Henry M. Jackson be inserted, that the observations and recommendations on proposed legislation H.R. 8171 (S. 2035) Riverton project by the Wyoming Natural Resources Board be included and that is all. I think this will tend to make more complete the position taken by Senator Simpson, by the then Governor of Wyoming, and by the president of the Riverton Chamber of Commerce.

(The documents referred to follow:)

RIVERTON, WYO., October 28, 1963.

Senator HENRY JACKSON,
Chairman of the Senate Interior Subcommittee,
Senate Office Building,
Washington, D.C.:

After a careful consideration of the various bills, weighed against many years of firsthand experience with the Riverton project agriculture, the Riverton Chamber of Commerce has endorsed the positive approach to Wyoming agricultural development and stands in general support of the goals in Senate bill 2032 and the companion House bill 8171. The negative approach challenges the future of all reclamation developments in the West. We urge your support for Senate bill 2035 and for House bill 8171 and the future development of the West's agricultural resources.

Dr. W. R. LANSING,
President, Chamber of Commerce, Riverton, Wyo.

WYOMING EXECUTIVE DEPARTMENT,
Cheyenne, October 23, 1963.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In transmitting the observations and recommendations on proposed legislation, S. 2035, Riverton project, by the Wyoming Natural Resource Board, I should like to make the following points:

The Wyoming Natural Resource Board is a State agency charged with the development of all of Wyoming's natural resources. This State agency has studied the report of the Wyoming reclamation projects survey team, as well as discussing the problems in the Riverton area with a number of informed people. I shall not attempt to review the board's comprehensive work, nor to submit any specific suggestions.

All of us in Wyoming are well aware of the intense interest and exhaustive study your committee has given this project. I am sure we can all agree on certain facts which provide the framework within which solutions must be found:

1. The economy of Riverton and of Wyoming has too great a stake in this project to permit contemplation of its abandonment. Despite the fact that there are some real problems in the third division, the great record of American agriculture leaves no justification for our giving up.

2. The overall record of achievement is good. Crop yields continue to set new records. A comparison of the number of successful farms in the Midvale district, to which should be added successful operators in the third division, completely overshadows those whose operations have failed because of excessive alkalinity resulting from seepage.

3. The high altitude, limited crop adaptability, and short growing season which characterize not only the Riverton project but other areas in Wyoming as well, are convincing arguments in favor of modifying the 160-acre limitation for water delivery, and are compelling reasons for permitting the Secretary to acquire project lands incapable of supporting a farm family and later disposing of them to other settlers whose lands are contiguous.

4. This project, up to the present time, has not had the benefit of revenues from power production in the Missouri River Basin. There is no reason why farmers on this project should longer be denied the help afforded almost every other project in the Missouri River Basin.

The impossibility of resolving all of the problems of everyone involved with this project is recognized. But it is my belief that S. 2035 offers reasonable, realistic solutions to the major problems. I endorse this legislation.

Yours very truly,

CLIFFORD P. HANSEN, *Governor.*

OBSERVATIONS AND RECOMMENDATIONS ON PROPOSED LEGISLATION H.R. 8171
(S. 2035), RIVERTON PROJECT, BY THE WYOMING NATURAL RESOURCE BOARD

In consideration of the pending legislation now before the Senate and House Interior and Insular Affairs Subcommittees of the Congress, H.R. 8171 and its companion bill S. 2035, the Wyoming Natural Resource Board, a State agency of the executive branch of the government of the State of Wyoming, has made a review of this legislation along with other available information as related to the Riverton project; and in conclusion makes the following observations and recommendations in support of this legislation.

One must bear in mind that since this matter of the Riverton project has been before the Congress the past few years, the issues involved and the objectives sought are concerned with a number of variables and circumstances. These issues are highly interrelated and interwoven so that their identities have been, more than not, partially obscured and confused and has further led to a considerable amount of misunderstanding.

It must be remembered, above all, that we are concerned with a good many people, families; and their well-being in conjunction with further enhancing the development of our natural resources, the land and the water, which has significantly contributed to the growing economy of our State and the western semiarid States, as well as the Nation, under the principles of reclamation.

This proposed legislation, H.R. 8171 (S. 2035) is the result of a series of events, some of which can be readily attributed to misjudgments, and other events that

occurred beyond the control of man's know-how and ability to act soon enough—or to cope with, successfully, within the means available.

In considering the Riverton project as a whole, it is important to remember that the project is represented by two separate legal entities of government. One is the Third Division Irrigation District, representing approximately 11,800 acres which was settled after World War II. The other is the Midvale Irrigation District, which represents over 45,000 acres and was settled and developed beginning in the 1920's. The Midvale district constitutes the initially planned first and second divisions of the Riverton project.

As the third division completed its 10-year initial development period, financial circumstances within the Third Division Irrigation District were not favorable by which a repayment contract with the Bureau of Reclamation, as prescribed by reclamation law, could be successfully negotiated. During the course of the development period, seepage and adverse soil conditions were such that reduced irrigable acreages rendered many of the farm units to uneconomical sizes. Even though farm size units were readjusted, efforts by settlers to take remedial action were severely limited by financial restrictions. On the premise that additional time was needed to reach a repayment agreement, Congress permitted continued water deliveries to those users desiring the water.

For the past 2 or 3 years, the financial plight of some of the third division settlers has created a stigma over the whole project. Headlines of news reporting has further focused attention, with well publicized allegations and accusations, to the dramatic and sensational aspects of the problems of the third division.

After a number of hearings before the Interior and Insular Affairs Committee of the Congress, it became apparent that previous investigations made by the Department of Interior, along with a breakdown in negotiations for agreement on a repayment contract, did not offer any reasonable and plausible solutions.

In order to further get to the basis of these problems and to recommend to the Congress a positive approach for a reasonable solution, the Department of Interior appointed a five-man review commission, which is referred to as the Wyoming reclamation projects survey team.

This effort to make a thorough study of these problems was implemented from a suggestion by the House Interior and Insular Affairs Committee. The natural resource board is apprised that such a study and the recommendations contained therein does not imply any mandatory obligation for the final action to be made by the committee.

By the same token, the House committee is to be commended for its suggestion. The natural resource board recognizes that the team's approach to this most complex and controversial situation was an extremely difficult task. The findings and recommendations of their report certainly demonstrates the thoroughness of the investigation. The team members, who were selected with an excellent cross section of individual interests, pursued their investigations within the scope and instructions with which they were charged. Their conclusions were made as the team, representing themselves. The report is clear in this respect and can well stand on its own, leaving to others the right to form any opinions.

As evidenced by the information and data obtained, the basic objectives indicated that there were other problems, equally, if not more important, than portrayed in the headlines as related to the third division.

The physical relationship and geography of the two irrigation districts along with other similarities has formed the basis of the objectives on which the Riverton project, as a whole, and the district's problems, and has become of primary importance.

The Midvale district (constituting the first and second divisions) is the older, having contracted with the Bureau in 1931 for its repayment obligations. Settlement problems, generally inherent on this type of development, were also evidenced, as similar seepage problems appeared during its development; whereas, certain land adjustments were subsequently made to retain economical farm units.

Realizing that remedial measures were necessary to prevent further seepage encroachments on productive lands, several million dollars were expended by the district for rehabilitation works. At the present time, approximately 377 units are under Midvale district as compared to the 57 units under the third division, some of which have not been irrigated or formed in the last few years.

The investigations have indicated that although the Midvale district, which has had similar problems, has kept current with its financial obligations for repayment along with the costs incurred for a rehabilitation program, a continued program will be necessary to complete such rehabilitation works which is beyond the financial capacity of the water users to pay. Financial assistance will then be necessary from other sources which was not provided initially to the Riverton project as compared to present reclamation policy of present day projects which receive assistance from such sources as the reclamation fund and power revenues.

Herein lies the basis on which the survey team report makes its recommendations, to not only include corrective measures needed on the third division; but, more so, on the Midvale district (first and second division).

The natural resource board places considerable emphasis on the economic development of this land and water resources. The Riverton project consists of approximately one-third of the irrigated croplands in the Wind River Basin. An important segment of the economy in the Riverton area is directly related to agriculture. The importance of irrigation for agriculture is well known in our western semiarid States.

The Riverton project has demonstrated its suitability for the growing of some cash crops. The dominant agricultural uses of irrigated lands is primarily related to the production of livestock feed, hay, and grains. Recent trends have indicated, that with proper management, such diversification practices can be adopted for better land utilization in our higher altitude and short growing season.

With the proper corrective measures that can be made, lands that have proven their productivity and lands that can be retained from becoming unproductive, this vital resource can continue to serve as an important economic factor in the future growth of the Riverton area.

The natural resources board considers a project abandonment policy as ill-founded and beyond any doubt of consideration. This past season has demonstrated without any doubt, the success of this project's productivity with an outstanding harvest of agriculture crops.

The inclusion of the Riverton project as a unit in the Missouri River Basin project can provide the needed financial assistance on a reasonable and equitable basis. The natural resource board concurs that such reauthorization as provided in H.R. 8171 incorporates principles reflected by the Congress in the authorization of recent projects, and in keeping with the basic principles of reclamation development.

The provisions included, authorizing the Secretary to supersede the several existing contracts of the Midvale District with a single 50-year contract, are highly desirable and more realistic than the present contract period of 108 years.

In consideration of the water users of the third division who wish to continue their farm operations, the provisions for temporary delivery of water are reasonable, and such continuation of farm operations should be permitted.

As the readjustments of farm size units are made in the third division and economical sizes are determined, it is reasonable to expect that water rates should include a construction charge component in the case that no irrigation district exists for contracting agreements.

The provisions in the proposed legislation for modifying the excess land limitation to permit water delivery to 160 acres of class 1 lands or the equivalent are essential. Such provisions would take into account the conditions affected by higher altitudes, limited adaptability and the shorter growing season experienced in the Riverton project area.

In order to permit the proper land adjustments necessary for economic units as well as arrangements to dispose of lands that have become unproductive, the provisions of the proposed legislation related to accommodate these measures are not only desirable, but necessary for an orderly development program.

Certain deficiencies in the Farm Unit Exchange Act of 1953 have been set forth by the survey team. These obviously should be rectified and such changes incorporated in the present bill appear to be necessary.

In order to further implement means to readjust project lands into productive and economical farm size units, provisions in H.R. 8171 grant such authority to the Secretary to permit the payment of damages for injury to lands caused by permanent or recurrent seepages from project facilities. In addition, when said injury to the lands has resulted in a farm unit being too small for supporting

a family, such acquisitions would be made at the lands fair market value prior to its having been rendered unsuitable for irrigation production.

In view of the fact that land values on the Riverton project can be materially depressed because of the stigma created in recent years, the natural resource board recommends that such means be provided that fair market values be determined by such criteria that would not reflect or include these depressed prices. Such criteria should include considerations of similar land values under project development outside of the Riverton area.

The board has been apprised of claims of some of the third division settlers, who have advocated complete abandonment of the project, which would involve settlers who are successfully farming at the present time. Claims have been further made that compensation should be made for the loss of earnings for the years of efforts to develop a farm. This matter of said compensation presents a very complex situation insofar as determining an equitable basis by which compensation might be made. The value attached to the degree of ability of a settler, and the know-how required for project development, presents an almost interdependent condition.

Since a suit against the U.S. Government has been filed recently in district court by a group of the third division settlers claiming such damages, the board is cognizant that a determination of this matter is extremely complex. Any comment on this at this time by the board would be insufficient and not in the interest of the project as a whole in giving an evaluation to the merits of such claims.

In summary, the natural resource board considers H.R. 8171 essential to the Riverton project, and to the economy of the State of Wyoming in utilizing these water and land resources. The board further invites the Interior and Insular Affairs Committees of the Congress their sincerest considerations of the basic problems involved and the potential development afforded in this proposed legislation.

Many who have opposed the essential and constructive features of this legislation, and who have advocated complete abandonment of the project, have in addition, alleged that inclusion of the Riverton project as a unit of the Missouri River Basin project would subject the water users to a loss of control over their water rights.

Through communications and consultation with the Wyoming State engineer, who is charged with the administration, control, and use of the State's waters, and further confirmed through the office of the Wyoming attorney general, it must be positively and definitely made clear that such allegations are absolutely without foundation.

State constitutional provisions are clear in this regard as to State ownership of water and the administration of use and control of State waters. Application for permit to use the waters on the Riverton project have been properly filed and are in good standing. Procedures to prove on beneficial use for final adjudication are again clearly set forth in the State water law.

Not only is the Reclamation Act of 1902 specific on compliance with State water law, but the proposed reauthorization of this legislation of the Riverton project under the Missouri River Basin project, Public Law 78-534, again is specific in this instance.

This act states that it is hereby declared to be the policy of the Congress to recognize the interests and rights of the States in determining the development of the watersheds within their borders and likewise their interests and rights in water utilization and control.

The same act again declares that navigation uses of the waters shall be used as does not conflict with any consumptive use present or future, of such waters for domestic municipal, stock water, irrigation, mining, or industrial purposes.

There is no room in this matter of water rights for any doubt as to the ownership, use, and control of water as regards this project and its reauthorizations under the Missouri River Basin Project Act.

Senator HANSEN. Appreciating that we may be interrupted, let us next turn to you, Mr. Barnes, and I want to thank you gentlemen from Midvale.

We will now hear from Oscar Barnes, who is the special project leader, Agricultural Extension Service, University of Wyoming at Laramie.

STATEMENT OF OSCAR K. BARNES, SPECIAL PROJECT LEADER,
AGRICULTURAL EXTENSION SERVICE, UNIVERSITY OF WYO-
MING

Mr. BARNES. Thank you, Senator.

Mr. Chairman and members of the committee, my name is Oscar K. Barnes. I am employed by the University of Wyoming in the Agricultural Extension Service on special projects. My past professional work has been in the field of soil and water conservation. I served as chairman of the Wyoming reclamation projects survey team that reported to the Secretary of Interior on several Wyoming projects in 1962-63. This report included the Riverton project.

I appreciate the opportunity to appear before the committee to explain the experiences of the Agricultural College of the University of Wyoming on matters relating to the Riverton project.

The Agricultural Experiment Station and Extension Service has done research and demonstration work for years in the Riverton area on problems related to soils, crops, irrigation, livestock, entomology, and agricultural economics. Thus we have had considerable experience and interest in this resource of the Riverton community. These services, of course, extend to all parts of the State, not just to Riverton.

The views of our specialists based on their research and experience down through the years is that the soils under consideration today on the third division, as well as those in the Midvale District, are entirely capable of sustained irrigated crop production. We recognize, as all those concerned with the problem do now, that certain reclassifications that have occurred down through the years very properly excluded certain soils from further irrigation. Had the techniques and standards of soil evaluations been better developed and understood 20 or 30 years ago, these soils would have excluded initially. The effects of inexperienced water management on many units cannot be ignored as a contributing factor in the loss of some land on the third division down through past years.

Recently I accompanied several recognized soil authorities from the university and U.S. Department of Agriculture on a tour of the third division lands. This group, with years of experience in the Riverton area, included the head of the university soils division, Dr. L. I. Painter. Dr. Painter's view has been and still is that generally the soils now classified as irrigable are clearly capable, in their present condition, of sustaining crop production under irrigation with ordinary experienced farm management.

This view was shared by the other soil experts on this inspection trip initiated by the university. These observations, based on the present classification, eliminates about 3,000 acres from the irrigable class since the 1961 reclassification. About 8,900 acres remain in the irrigable classification with a drainage system installed.

For various reasons, in the past little fertilizer was used on third division lands. Also, many operators failed to follow modern and commonly accepted cultural practices in their farm program. Studies made on these lands by the Agricultural College show that just the use of fertilizer can increase yields two to four times over unfertilized yields.

At this point, it might be well to review the extent of the technical agreement on the value of these lands:

A. In 1961, a board of three prominent drainage consultants headed by Dr. James Luthin of California University made a study of drainage on third division lands. Essentially, their report recognized that the heavier textured, lower lands presented some difficult problems in drainage and reclamation; that the lighter textured soils on the terraces and uplands were suitable for sustained irrigated agricultural production; and that drains on these soils were functioning properly.

B. Also, in 1961 a board of three economic consultants headed by Mr. John Goe, an economic consultant of Denver Colo., reviewed the repayment problems on the third division. They made a number of recommendations that were applicable at that time. They recognized economic problems needing adjustment but did not consider abandonment of the resource as a solution.

C. In 1962-63 a five-man team was appointed by the Secretary of the Interior to study reclamation projects including the Riverton project. This group represented an excellent cross section of experience and included: Mr. Earl Bower, a prominent Wyoming farmer, banker, and longtime director in the National Reclamation Association; Mr. Milt Coffman, a prominent Wyoming businessman, banker, livestock operator, and a member of the Wyoming Natural Resource Board; Mr. Ival Goslin, executive director of the Upper Colorado River Commission; Dr. Howard Haise, an eminent soil scientist and irrigation engineer with the U.S. Department of Agriculture. Serving as chairman of this group, I represented the interest of the university.

Because of extreme difficulty that had been encountered in resolving this problem, at least to the satisfaction of a group of third division settlers, the survey team went to great lengths to evaluate all facets of the problem within the specialties represented on this team. Studies of existing drains, salt accumulations, cropping, irrigation, and financial problems were made and related to the whole community.

The conclusions from this study, with all the advantages of hindsight, pointed up some errors that had been made by just about everyone concerned with this project.

The main points, many of which apply today, are summarized on pages 1 to 9, volume I of the survey team report. This summary contains the unequivocal recommendation that this resource is far too valuable to consider total abandonment of the irrigable lands.

The essential features of the recommendations in the survey team report are contained in S. 670.

D. Then there is the acid test for technical judgments, and that is the success of experienced operators. Ample evidence indicates technical judgments are sound as they relate to the lands involved today.

Thus, the University of Wyoming scientists share the views of a large group of qualified judges who believe these lands are good when farmed under some experienced management. I might add that these soil specialists recognize little or no significant difference in the soils found on third division and those in the Midvale District. I should emphasize that these views apply to the present classification of soils on third division that now have the benefit of certain drainage protection.

Let me discuss the economics of third division lands. Our economics research shows a distressing financial condition for operators on "small" irrigated units any place in these "high" elevation areas.

Consistently, the records show operators of 160 acre or less per unit go behind each year and accumulate serious problems. This often prevents these operators from adopting many elementary modern cultural practices in their management. If they are starting on new lands and have some other adversities with their operation, their situation soon becomes impossible and they sometimes unfairly blame the physical resource.

Records show that third division operators started out with 160 acres or less per unit. Even after acreage amendments following the 1953 legislation, these units were still below 200 acres of irrigable land, with fields frequently in scattered tracts. This fact and a series of others contributed to the problem that has been before Congress and the public for the past several years.

Budget studies by the Agricultural Economics Division of the university on a more or less continuous program over the State, show a need for a continuing increase in the size of the irrigated units. An irrigated acreage of at least 250 to 300 acres or more is needed in higher elevation areas to meet minimum financial obligations and provide a reasonable family living.

For livestock-oriented irrigated units, it is especially desirable to have some range and grassland available in addition to the irrigated land. This can be done for third division lands.

In summary, I believe the observations we can make that would be most helpful to the Congress in reaching a final resolution would be along these lines.

1. This is an already developed irrigation resource, the investments in project works and farm development have been made and are available.

2. The lands presently designated as irrigable are good lands that can sustain irrigated crop production as judged by numerous independent experts as well as by experienced farmers.

3. Of significant importance to future success is the fact that since implementing Public Law 88-278 there will be no problem with shifting and relocating people to attain increased unit size; all third division people were bought out and have moved elsewhere.

Now the farm unit boundaries can encompass a larger acreage of proven soils for developing sound livestock-oriented farm units. Attaching some nonirrigated grazing land to these units will enhance their stability and success. These irrigated lands are also suited to cash crops such as sugar beets and beans as well as forage crops.

4. To us, the present situation on third division appears to have significant differences compared with the situation implementing Public Law 88-278 and these differences should simplify a permanent solution.

Thank you for this opportunity.

Senator HANSEN. Thank you very much, Mr. Barnes, for your statement.

(Subsequent to the hearing the following additional information was received:)

AGRICULTURAL EXTENSION SERVICE, STATE OFFICES,
Laramie, Wyo., December 11, 1967.

HON. CLINTON ANDERSON,
Chairman, Water and Power Resources Subcommittee of Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I attended the recent hearing on the Riverton Project held by your committee. My testimony came late in the afternoon, so there was no opportunity to answer questions that I thought were not fully answered for you earlier such as those questions you were probing on points Senator Simpson made in 1963 and in 1964. Also, I felt there was some concern from the committee in reconciling the mass exodus of people from the Third Division in 1964 with the recommendation being made now, that Third Division be put back in private ownership for continued irrigation.

My comments that follow relate back primarily to my experience as chairman of the Reclamation Projects Survey Team that reported on Riverton to the Secretary of Interior in 1963.

The difficult part of this proposition relates to understanding that a very small group of Third Division settlers with sensational outside press support, legal aid, etc. were able to obscure the total situation and effectively seal off reasonable voices. This emotional build-up took place over the period 1960-1963. After numerous meetings and interviews on the local scene in late 1962 held by the Survey Team, it appeared clear to us that the situation being presented nationally was related to a very fringe portion of the total Riverton project.

This small group of Third Division settlers advocated the idea of the government paying for what they identified as misrepresentation of lands and an additional payment for years they had been on the lands. It appeared to the Survey Team in late 1962 that the national attention this group had received with their claims had overwhelmed the vast majority in the Riverton community and that the views that related to the real long-range needs were not being presented for proper balance in the decision making process.

As the proposition of this small group evolved between 1960 and 1963, and circumstances seemed to be favoring the advocates of some form of damage payment, the initial group gained some followers that appeared willing to be in a position to take the best opportunity either way this developed. Many, and perhaps a majority, had no intention of leaving when the land appraisals were started in 1964. These appraisals were at a relatively high price and, of course, the original advocates, along with a number of waverers, accepted the government offer.

At that point everyone else seemed to realize they would be left with O & M costs for the whole project and with fewer people, so everyone capitulated in selling at these appraisal values. The overriding reasons for the exodus, while partially related to physical resource problems, appeared more clearly associated with the past emotional controversy locally and the uncertainty of the future with fewer people left on the project.

Personally I concurred with Senator Simpson when in 1963 and 1964 he testified to errors made on the project. There were a long series of errors in handling a tough problem and the later build-up of publicity and the clamor, obscured facts from almost all except those on the local scene. By the time the proposition of this small group had been aired nationally and had smoldered locally from 1960 to 1962, it came before Congress in the hearings of 1963; I believe there was no alternative left but to follow the course provided in PL-88-278. I believe that Senator Simpson realized that with this legislation the resource could be adjusted without the emotional entanglement.

PL-88-278 wiped the slate clean so that the good in the physical resource could be soundly reallocated for economic units and put back into use with no additional costs.

One of the basic problems the Survey Team recognized in their study was that the Third Division units were too small when settled in 1950. With the loss of some land to salt and seepage on each unit, this key factor of unit size became an ever-increasing weakness. Now, since enactment of PL 88-278 and with no people on this project, units can be soundly redefined with adequate acreage of lands already protected with drains and of the type of soil now known to be suited to irrigation.

The fringe problems of Third Division have most unfortunately clouded the more important part of the Riverton resource, namely the First and Second Di-

visions, known as the Midvale District. The Survey Team recognized some similar problems and needs of this larger area. The method being followed by Midvale in resolving their long standing needs, received little or no attention during the controversy on Third Division. Hopefully, any future adjustments needed on projects in any State may follow this less sensational procedure for presenting their problems, and opportunities for growth.

The record of the November 30 hearings digests the experiences of the University as well as the studies of the Survey Team. I hope these additional comments may be useful to you in considering S-670.

Sincerely yours,

OSCAR K. BARNES,
Special Project Leader.

Senator HANSEN. The committee will stand in recess for one-half hour. We will reconvene at 4:15.

(Whereupon, the committee recessed until 4:15 p.m.)

Senator HANSEN. The committee will come to order.

We are ready now to hear from Mr. Reno Long.

Mr. Long, would you like to come forward.

STATEMENT OF RENO M. LONG, RIVERTON, WYO.

Mr. LONG. I would like to request that my testimony be copied in because I have some remarks that are not contained in my written statement.

Senator HANSEN. Yes. Your testimony will be included in the record as it is presented here, and I understand this is what you are requesting.

Mr. LONG. I plan to make some remarks that are not in my written statement, and I would like to have them copied.

Senator HANSEN. They will be taken down by the reporter, so you may proceed and make such additional statements as you care to, just as you go along, Mr. Long.

Mr. LONG. Thank you, Mr. Chairman.

I feel this an honor and privilege to be allowed to testify before your distinguished group.

My name is Reno Long and I reside on the Riverton reclamation project of Wyoming. I am a native of the Riverton area, and am established in the ranching business on this project. My interest in the subject bill stems from the fact that I have been grazing cattle on a particular area now in the project. These lands are in the third division, but are separate and aside from the third division farming area.

I own a half interest in an irrigated farm for 7 years in the third division area.

Originally we leased these grazing lands from the Indian Department in 1943. My father and I had the use of these lands for the ensuing 23 years. In 1953, the lands were sold to the Bureau of Reclamation by the Indian tribes, to be used for irrigation purposes. The sale price was around \$6 an acre.

Our lease was allowed to stay in effect at this time, even though the Bureau of Reclamation was in administrative control of the lands.

In 1961, we were given a negotiated lease by the Bureau of Reclamation, which was for 5 years' duration, with the Bureau of Reclamation having the right to terminate at the end of any lease year. In October 1966, the Bureau terminated our lease. We had no difficulty with the Bureau in regard to the grazing of the lands, and at all

times lived up to the conditions of our lease. The Bureau of Reclamation had no cause to terminate this lease, and have no appeal procedure in regard to grazing lands.

These lands comprise approximately 63,000 acres of arid, sagebrush-covered hills. While this area was withdrawn for reclamation purposes, it has not been developed and the greater portion of it never will be. The best estimate I can give is that less than 15,000 of the 63,000 acres could possibly be reclaimed for irrigation. I am told, however, that such development is not planned in the foreseeable future.

Commissioner Dominy testified earlier in the day that future development is stopped on Muddy Ridge and Cottonwood Bench.

The Bureau of Reclamation terminated my lease so that the grazing lands may be used by a group of irrigation farmers who are in the Midvale area of the project. I ask that a letter from me to the Secretary of the Interior Udall, dated July 7, 1966, protesting the termination of my lease, be inserted in the hearing record at this point.

Sentaor HANSEN. Without objection it may be received.

(The letter referred to follows:)

RIVERTON, WYO., July 7, 1966.

STEWART L. UDALL,
Secretary of The Interior,
Washington, D.C.

DEAR SECRETARY UDALL: I wish to call your attention to a situation which, if carried through, will cause serious hardship on me and my family and deprive me of the most logical opportunity I have to make a livelihood. This is with regard to the Bureau of Reclamation's notice that they intend to cancel my lease for grazing on about 62,000 acres of lands surplus to the Riverton Reclamation project. While this land was a part of the area withdrawn for Reclamation purposes, it has not been developed and the greater portion of it probably never will. The best estimate that I can give is that less than 15,000 of the 62,000 could possibly be reclaimed for irrigation. I am told, however, that such development is not planned for a long time—perhaps as much as 30 years or more.

The Bureau of Reclamation proposes to cancel my lease on this land and turn the area over to the Midvale Irrigation District farmers. I suppose this is with the thought that these withdrawn surplus lands could be beneficial to this group. It is well known that many of the farming and ranching operations on the Midvale Irrigation District were started on an inadequate basis. The Third Division was later established for the purpose of rehabilitating land and permitting these people to have an operation of sufficient size to make an economical living. However, this may be, I am convinced that the Federal government has assisted Midvale Irrigation District considerably. Granting this use of these surplus lands to them would be of so little benefit that it will be of small consequence to the success of their operation. However, denying the use to me will cause me to fail entirely.

According to the Bureau of Land Management grazing capacity figure, the 62,000 acres can graze 505 cattle for one year. Since there are 370 Midvale farmers, if all shared equally in grazing benefits, each could graze less than two cattle apiece. The 505 animal unit grazing capacity is, however, sufficient to permit at least two successful cattle operations. The less than two cattle per farmer is of no consequence whatsoever from the standpoint of enhancing that farmer's opportunity to make a living.

I contend that those who are most interested in having these lands administered by the Midvale Irrigation District are largely livestock operators with holdings off the project area. If the District gains administrative control over this grazing land, these off-project operators would be able to expand their operations considerably. I say this because much of the grazing land controlled by the farmers in the project has been leased to these off-project livestock operators.

Originally, we leased this land from the Indian Department under my Mother's name, Annie F. Long. This was in 1943. We have had the use of this land (my father and I) for the ensuing 22 consecutive years. We pay nearly \$5,000 annually for the lease. I understand that the Midvale farmers are going to pay \$10,000 a year, plus the cost of administration. It appears to me that the U.S. Treasury would be short a considerable amount. Back in July 21, 1961, a letter to the Arapahoe Tribe from the Bureau of Reclamation stated the following: "It is our policy to offer the previous owners preference in leasing land." Has this policy been changed or is there some reason now to deny the return of the land, or the use thereof, to the Arapahoe or Shoshone Indians? Although I am an Indian, and I am proud of it, I do not feel that such status should deny me the right to make a living in a manner that has been successful for over 20 years. I am not now able to buy another ranching opportunity. Ranching is the only business I know and if I lose this lease, I am out of business. I have no other income.

I was highly gratified when I heard the statements you made to the effect that you wanted the entire Department to be of help and assistance to the Indian people so that their opportunity to participate in the American way of life by making a decent living for themselves and their families would be enhanced. These words are very encouraging to us, and we concur with the thoughts. It is, therefore, difficult for us to understand why one agency of the Federal government in your Department could take action which will deny some of the Indians the opportunities you are interested in fostering.

The Manager of the Midvale Irrigation District told me recently that the Commissioners of the District have no plan for administering this grazing land. From personal knowledge of the land, it will be difficult to properly administer. It will be easily overgrazed. Sustaining an annual production of forage so that there will be no diminishment in the return will require careful and prudent management. The Bureau of Reclamation also offered to let the Bureau of Land Management administer this land some time ago. With these thoughts in mind, it seems evident that the land is surplus to the needs of the project. Measures to administer the land to prevent overuse and overgrazing is apparent.

This being the case, why shouldn't the land be transferred, or at least the use thereof to the Arapahoe or Shoshone Tribes so that the administrative talents of the Bureau of Indian Affairs could be used? Their range program administration on the reservation has been successful. The same successful, high-level type techniques and administrative procedures could likewise be used on this land. I feel it would be desirable to follow this course rather than allowing it to be used without applying proper conservation and use principles. The individual farmers know that the return would be so small to each one that they could not afford very much interest in how the land would be used.

I sincerely hope that you will consider this problem very carefully and that each of the points mentioned above will be taken into consideration in determining the proper and fair course of action to be followed. I am depending on you, Mr. Secretary, your sense of fairness and fair judgment to save the only opportunity left for me to make a living.

Sincerely yours,

RENO M. LONG.

Mr. LONG. The farmers contemplate a community pasture arrangement. The area which my father and I leased and for which we paid nearly \$5,000 annually will be leased to the Midvale farmers for a total of \$10 a year. It appears that the U.S. Treasury would be short a considerable amount.

According to the Bureau of Land Management, grazing capacity figures, the 63,000 acres can graze only 505 cows for 1 year. Since there are 370 Midvale farmers, if all shared equally in the community pasture each could graze less than two cattle. It requires 124 acres of this land to sustain a cow for 1 year. The 505 animal unit grazing capacity is, however, sufficient to permit at least one and possibly two economic units. The ranching business is just as important as the farming business. The less than two cattle per farmer is of no consequence

whatsoever from the standpoint of enhancing that farmer's opportunity to make a living. The Federal Government has assisted the Midvale settlers considerably. Granting them the use of these surplus lands would be of little benefit to the success of their farming.

However, denying the use to me will cause me to fail entirely and will work a serious hardship on me and my family. It is depriving me of the most logical opportunity to make a living.

It is doubtful that the plan of a community herd arrangement would be successful or satisfactory. Due to the large number of people involved and the vast unfenced area it would be most difficult to realize any profit from grazing one or several cows under these conditions. I ask that a letter from the Midvale Irrigation District Board of Commissioners, dated January 16, 1967, be inserted in the hearing record at this point.

Senator HANSEN. Without objection that may be received.
(The letter referred to follows:)

MIDVALE IRRIGATION DISTRICT,
Pavillion, Wyo., January 16, 1967.

DEAR WATERUSER: As you probably know, the Midvale Irrigation District took over the management of the Third Division grazing area from the Bureau of Reclamation by a lease agreement dated January 26, 1966. The District assumed control on October 14, 1966.

The District's purpose in assuming the management of this grazing area on the project was to develop supplemental grazing for Midvale waterusers. Your Board of Commissioners is now formulating a plan for the leasing and management of this area. The method and procedure of leasing will depend a great deal on the number of Midvale waterusers who desire to participate and take advantage of the privileges of this supplemental grazing. The Board would like to know who is interested in this area in order to complete their planning. The following is a tentative proposal for the leasing and management of the Third Division grazing area so that all of the waterusers would have the same information and opportunity to participate:

1. All *resident* Midvale waterusers will be eligible to participate in leasing this area based upon the number of irrigable acres owned by him as shown on the 1966 Assessment roll. The term residency shall be solely and conclusively interpreted, in case of disputes, by the Midvale Board of Commissioners and the Board will have the power to require such proof as it deems necessary for a determination of residency.

2. The grazing area will be generally set up as a community herd arrangement. There are 65,714.48 acres in the grazing area and there are 44,682.5 irrigable acres in Midvale. If all of the owners of all of the irrigable acres in Midvale were eligible and did elect to participate, then the owner of each irrigable acre would be entitled to approximately one and one-half acres of leased land. Some of the irrigable acres on Midvale are owned by non-resident waterusers and many resident waterusers will probably not elect to participate in this leasing agreement and, therefore, the waterusers who participate will probably be entitled to considerably more leased acres per irrigable acre than stated above.

3. The participating waterusers will be limited to the use of the leased area in accordance with the number of animal units per year. Approximately 120 acres will sustain one animal unit on the leased area. The lease will probably be open for grazing approximately three months of each year. Five sheep units will be the equivalent of one cow unit. This would mean that if a resident wateruser owned 80 irrigable acres and if all Midvale irrigable acres participated, then he would be eligible for approximately 120 acres of leased land which would be one animal unit per year or he would have the privilege of running four cows on the lease for three months or 20 sheep on the lease for three months.

4. The participating waterusers would be required to organize their own governing body and establish their own rules and regulations concerning supervision and control of the lease. This governing body would report to and be under the control of the Midvale Board of Commissioners. All members of the commu-

nity lease would be required to adhere to the rules and regulations established by the governing body and approved by the Board of Commissioners, including the payment of fines or the forfeiture of leased privileges for violations, decisions as to the period of grazing use or reduction in use in accordance with the condition of the range, etc.

5. Each participating wateruser will run his own cattle and sheep on his own brand. Under no circumstances will the grazing rights be transferred, assigned, or in any way used by anyone other than the participating wateruser.

6. Midvale Irrigation District will not be liable for any losses or damage to cattle or sheep on the leased area nor will the District be liable to any person or property lost or damaged on the leased premises resulting from any activity conducted on the leased area.

7. The lease rental as tentatively proposed by the District is as follows:

a. \$4.00 per animal unit per year.

b. Each participating wateruser will be required to pay his proportionate share of the cost management, control and supervision of the community herds and leased premises in proportion to the number of irrigable acres he owns bears to the total number of irrigable acres participating in the community lease.

c. All lease rental payments and assessments for management shall be paid annually before use of the lease.

d. Participating waterusers will be required to pay on demand all fines or penalties assessed by the governing body for violations of rules and regulations established for the operation of the community lease.

8. A participating wateruser will not be required to run sheep or cows on the lease each year in order to maintain his lease rights but he must pay the annual rental and proportionate share of management's expense in order to preserve his lease privileges. Non-payment of lease rental and management expenses will automatically cause forfeiture of his lease privileges without notice.

9. The participating wateruser may transfer his rights in the community lease to the purchaser of his qualifying irrigable acres if (a) the purchaser becomes an actual Midvale resident wateruser, (b) the community lease is still in operation, and (c) the transfer of lease rights is approved by the Midvale Board of Commissioners.

10. Participating waterusers will comply with all leasing rules, regulations and policies of the Bureau of the Reclamation including all terms and conditions set out in Midvale's contact with the Bureau dated January 26, 1966.

11. The community lease shall be subject to cancellation and termination after reasonable notice to the governing body by the Midvale Board of Commissioners.

All Midvale resident waterusers who are interested in participating in a community herd arrangement for supplemental grazing must notify the Board of Commissioners *in writing* before January 30th, 1967. Mail your notice to Board of Commissioners, Midvale Irrigation District, Pavillion, Wyoming.

Respectfully yours,

CARL WELTY, *President*,
 FRED ANGLIN, *Vice President*,
 EDWARD L. BOGACZ, *Secretary-Treasurer*
 (Board of Commissioners).

Mr. LONG. From personal knowledge of this land, it will be very difficult, if not impossible, for the farmers to administer this as grazing land. It will easily overgrazed.

Sustaining an annual production of forage so there will be no diminishment in the return will require careful and prudent management. Measures to properly administer these surplus lands to prevent overuse and overgrazing are obviously needed. The Bureau of Reclamation offered to let the Bureau of Land Management administer these lands several years ago. With these thoughts in mind, it seems evident that the land is surplus to the needs of the project. This being the case, why shouldn't the land be transferred to an agency of the Government which is familiar with the proper use of grazing land. High-level techniques and administrative procedures would be followed.

If this committee finds these lands are surplus to the needs of this project, I strongly urge the committee to request that these lands be restored to a Federal agency which is entrusted with administration of grazing lands.

Back in July 1961, a letter to the Arapahoe Tribe from the Bureau of Reclamation stated the following:

It is our policy to offer the previous owners preference in leasing land.

This is a policy with all agencies which normally administer grazing lands. Although I am an Indian, and am proud of it, I do not feel that such status should deny me the right to make a living in a manner that has been successful for more than 20 years.

At this point I would like to request that a letter stating this be entered into the record.

Senator HANSEN. Without objection, it will be received.

(The letter referred to follows:)

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Billings, Mont., July 21, 1961.

SHOSHONE INDIAN TRIBE,
Fort Washakie, Wyo.

GENTLEMEN: Land purchased from the Shoshone Indian Tribe and Arapahoe Indian Tribe adjacent to Anchor Dam is available for leasing for grazing purposes.

Because of construction activities near the Dam and problems caused by "sinkholes" which have developed, only the land formerly in your ownership that lies south of the Reclamation fence will be leased. This amounts to about 90 acres of grazing land and lies in the SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 24, T. 8 N, R. 1 W., W.R.M.

It is our policy to offer the previous owners preference in leasing lands. You are requested, therefore, to advise us as soon as possible and in any event by August 15, 1961, whether you wish to lease the land lying south of the Reclamation fence and if so the amount of annual rental you offer to pay.

Very truly yours,

H. G. ARTHUR, *Regional Director.*

Mr. LONG. It does not seem in the public interest to abolish an established, private, successful business which pays nearly \$5,000 a year for a lease, in favor of a commune arrangement of a semiprivate group which will pay \$10 a year and has a highly doubtful chance of success.

I sent a certified letter to the Midvale Irrigation District requesting that I be allowed to lease the land I had previously used, and I did not receive an answer from them.

After starting with exactly nothing in the ranching business and putting together a successful business over the years it seems unjust that the Bureau of Reclamation makes this capricious decision when the land is not to be used for a higher priority.

I am not now able to buy another ranching opportunity. Ranching is the only business I know. I have no other income.

The Federal code of grazing regulations for the public lands, printed by the Department of the Interior, specifically states on numerous occasions that the prior user shall have a superior preference in leasing public grazing lands.

This grazing land has been left unused since our lease was canceled in October 1966, and was left idle during 1967. I think this is evidence that the Midvale farmers are not in need of grazing lands. The Federal Treasury should be getting a fair return annually from a lease.

During a meeting with Commissioner Dominy and Senator Frank Barrett in the summer of 1961, my father and I were told by Mr. Dominy that the old lessee was entitled to a preference right to renewal of his lease. He also stated at that time that the Bureau of Reclamation had no business leasing grazing land, and that a reasonable rental should be charged. He also stated that leases such as ours should be renewable on a negotiated basis. I ask that a letter from Senator Frank Barrett to my father, dated June 19, 1961, be inserted in the hearing record at this point.

Senator HANSEN. Without objection it may be received.
(The letter referred to follows:)

LAW OFFICES, BARRETT & BARRETT,
Lusk, Wyo., June 19, 1961.

Mr. CLAYTON LONG,
Shoshoni, Wyo.

DEAR CLAYTON: I think we had a very satisfactory conference with Floyd Dominy in Casper. I am enclosing a letter which I received from Washington since I got back home but it isn't important. I was pleased with the fact that Dominy understood our problem so well and agreed that the old lessee was entitled to a preference right to renewal of his lease providing he had performed according to the provision of the lease and had taken care of the land itself. I was pleased that he did not agree with those that felt you should get as much rental as possible but rather require only a reasonable rental. He said that the Bureau of Reclamation rules that require that leases be put up to the highest bidder was not intended for grazing leases and in fact the Bureau had no business leasing land for grazing purposes and that the rules should be amended to permit renewal of leases such as yours by negotiation. I was particularly pleased when Mr. Dominy told us on two separate occasions that your lease will be extended for at least another year and that thereafter he would get the regulations changed so that the Bureau could renew grazing leases by negotiation and then he would be in a position to negotiate a reneway some time during the next year. I have been thinking, Clayton, that you should get an assignment of Unit 5 on record so that the extension for one year would apply to Units 1, 3, 4, and 5. Perhaps the assignment should be filed with the office at Riverton. If Perkins has been up to Billings I would be interested in learning what the fellows up there had to say after Floyd Dominy met with them on the 16th of this month. With very best wishes and kindest personal regards to you and Reno, I am,

Sincerely yours,

FRANK BARRETT.

Mr. LONG. If this line of thought was applicable to this situation in 1961, why isn't it today?

To conclude, let me emphasize those point which I respectfully suggest should be considered by the committee during its deliberations on S. 670.

First. I request that the committee seek to determine what lands are presently needed for the Riverton reclamation project. If it is determined that all or most of the 63,000 acres of grazing lands are not now or will not be required for irrigation purposes, then I urge the committee to recommend that these lands be removed from their withdrawn status and returned to the Federal agency empowered to administer public grazing lands.

Second. I respectfully ask the committee to consider whether it is in public interest to devote a large tract of public lands to a semiprivate organization such as the Midvale Irrigation District for rental, when other citizens such as myself stand ready, as I have in the past, to pay a fair rental of at least \$5,000 to the Federal Treasury.

Again, let me thank the committee for their attention and patience in considering these matters.

Senator HANSEN. Thank you very much, Mr. Long. I want to compliment you on a very good statement, and to say that we appreciate your going to the effort that you have to be back here and to testify. I am sure that every member of the committee is interested in hearing from all of those persons who have an interest in this reclamation project, and certainly the testimony you bring here this afternoon sheds new light on some of the considerations that have been before the committee.

You have made a very good statement, and we appreciate your effort and dedication in coming here.

Mr. LONG. Thank you.

Senator HANSEN. Now, before we conclude the hearing, would anyone like to make an additional statement?

Mr. White.

Mr. WHITE. Mr. Chairman, I would like to say that we have not had an opportunity to have a copy of Mr. Long's testimony prior to the hearing today, and I wonder if it would be possible to hold the hearing open insofar as his testimony is concerned, so that I might have some time to examine his testimony and possibly rebut his testimony by written communication to this committee over several weeks.

Would it be possible to do that?

Senator HANSEN. May I say, Mr. White, it is my understanding that it is customary—and inasmuch as I am serving only temporarily as chairman, I would not wish to deviate from custom—it is customary to hold the hearing open for an additional 10 days during which time anyone may submit additional statements or testimony, and you may be assured that there will be that same grace period accorded all of those who have been here, and any others who may wish to submit testimony who were unable or not interested at the time in being here.

Mr. WHITE. If the Chair would, Mr. Davison would like to make a statement at this point, if the Chair would entertain a further statement.

Senator HANSEN. Yes, we will be glad to hear you, Mr. Davison.

ADDITIONAL STATEMENT OF GIDEON W. DAVISON

Mr. DAVISON. Mr. Chairman, I am Gideon W. Davison, Mr. Long in his statement stated that he had these leases from the Bureau of Reclamation, grazing leases. I and my brother had one of those leases. It was a publicly advertised lease. He and we bid on those leases and other people also of the area.

They were leased to us for two 5-year periods, and they withdrew ours at the same time they withdrew his. You understand that they withdrew them both at the same time. We were treated just the same as he was, and I think in fairness to the Bureau of Reclamation, that he was treated fairly, equal with anyone else. There was no discrimination between Indian and white in any way in the world.

I thank you.

Senator HANSEN. Thank you, Mr. Davison.

Mr. LONG. Mr. Chairman, I would like to state if I said I had been

leasing them, my written statement said I had been using them for 23 years.

Senator HANSEN. Are there any further statements to be made before the hearing is closed?

Let me say that we hope to have transcripts of this hearing available by tomorrow forenoon. There has been quite a bit of testimony taken and I appreciate the burden that may be imposed on our reporter here, but we would hope that maybe by tomorrow forenoon sometime transcripts of the hearing might be available.

I say this in case those who have testified would like to read over the testimony as it has been taken by the reporter. Sometimes inadvertently there may be an error or a misstatement, and you will thus be given the opportunity tomorrow morning, if you feel that this may have been the case.

It is not obligatory, of course, that you look over the testimony, but you do have the opportunity to look it over and make such changes as would accurately reflect what you meant to say, if the record does not so have you recorded.

Before closing the hearing, there are some letters for insertion in the record and any additional letters or statements received will also be printed at this point.

(The letters referred to follow:)

SHOSHONI, WYO., November 26, 1967.

HON. CLINTON P. ANDERSON,
Chairman, Senate Committee on Irrigation and Reclamation,
Washington, D.C.

DEAR SENATOR ANDERSON: As a land owner of irrigated lands within the Midvale Irrigation District of Riverton Project, Wyoming, I would like to go on record as being opposed to the bill—S-670, on which your committee has scheduled hearings for November 30.

I do not think the bill which would reauthorize the Riverton Project as a unit of the Missouri River Basin Project is in the best interest of Midvale District land owners, nor to many other irrigator-land owners in this area who would be effected by the legislation without any recourse at the ballot box. Midvale District owners have not been permitted to express their opinions by vote, with a full knowledge of implications of the bill.

I do agree that there is need for much structural replacement of the various concrete structures over the project, and that the canals and laterals need permanent linings to stop leakage and seepage at the source. I am, therefore, submitting a copy of a proposal for the relief of the Midvale District water users and other purposes. That, I understand, has been under consideration by members of the House committee on Irrigation and Reclamation. I believe enactment of the alternative proposal would be most beneficial to the reclamation bureau in obtaining "new" starts of other proposed projects, as well as to the irrigators in Fremont County, Wyoming.

Your consideration and attention in this matter will be greatly appreciated. Thank you.

Very truly yours,

A. C. "DICK" TRAWEEK.

AN ALTERNATIVE PROPOSAL FOR S. 670

A BILL For the relief of the land owners and water users of Midvale Irrigation District, Riverton Project, Riverton, Wyoming, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That the Secretary of the Interior is authorized and hereby directed to cancel all existing repayment contracts between the Federal Government and the Midvale Irrigation District, and transfer ownership of the works to the Midvale Irrigation District; and (a) transfer to the Midvale

Irrigation District certain permits issued by the State of Wyoming for the diversion, storage and appropriation of the waters of Wind River and its tributaries, as designated in paragraph (a) of the "Explanatory Recitals" of the Amendatory Repayment Contract (see Act of Congress dtd June 23, 1952—Sec. 3) between the United States of America and the Midvale Irrigation District, dated June 25, 1952.

SEC. 2. The Secretary of the Interior is authorized and directed to arrange to sell to Midvale Irrigation District for the sum of One Dollar (\$1.00) the Pilot Butte Power Plant, feeder lines and other works appurtenant to the power plant; and

(a) further, assist in the transfer of all existing contracts for sale of Pilot Butte Power Plant power to the Midvale Irrigation District; and

(b) revenue from the sale of power in excess of operation and maintenance of the power plant be used first for the repair and replacement of structures now needed and lining canals with permanent linings.

SEC. 3. The secretary is hereby authorized and directed to sell the irrigated lands and improvements thereon of the Third Division and Cottonwood Bench areas, Riverton Project, by public auction bid basis, with the limitation of 320 irrigated acres (maximum and minimum) to any one individual who is a citizen of the United States of America, without a commitment by the bureau of Reclamation on land class; and

(a) that individuals may also purchase 320 acres non-irrigated land; and

(b) delivery of water to the Third Division and Cottonwood Bench irrigated areas shall be effected by contract with the Midvale Irrigation District until such time owners may make a determination whether to merge with Midvale Irrigation District; or establish an irrigation district under the water laws of the State of Wyoming; and

(c) net revenues from the sale of lands and improvements of Third Division and Cottonwood Bench area shall accrue to the reclamation fund.

SEC. 4. The Bureau of Reclamation operations shall henceforth be only to the "take line" of Boysen Reservoir on the Wind River water shed.

SEC. 5. Appropriations heretofore and hereafter made for carrying on the functions of the Bureau of Reclamation shall be available for credits, expenses, charges and costs provided by or incurred under this Act. Expenses incurred in carrying out the provisions of Sections 1, 2, and 3 inclusive of this Act shall be nonreimbursable and nonreturnable under Federal Reclamation Laws.

JUSTIFICATION FOR ALTERNATIVE

A BILL For the relief of the land owners and water users of Midvale Irrigation District, Riverton, Wyoming, and other purposes

SECTION 1. Cancellation of repayment contracts:

1. Precedents have been established by Act of May 26, 1926, ch. 395 (44 Stat. 653); the Act of June 18, 1934 (48 Stat. 980); the Act of June 5, 1920 (41 Stat. 1054).

2. The Bureau of Reclamation has been mismanaging the Riverton Project for over 40 years, mistakes in the engineering and drainage and other "rehabilitation work" has not made the project well under the auspices of the bureau, so isn't it time to give some one else a chance to try to amend the mistakes that have been made here?

3. First contract in 1931 provided for expenditures of no more than \$5,000,000 to *complete* the project; 1952 Amendatory Repayment Contract increased the amount to be paid by irrigation to over \$7,000,000 and included write-off for non-productive lands due to seepage; Supplemental Rehab and Betterment Contract of Sept. 1956 was for \$2,500,000, increasing the expenditures to over \$9 million; during the life of these contracts the District has repaid the federal government slightly over \$1,000,000 during the 40 years the project had been in existence.

4. Landowners in Midvale District could get their water rights adjudicated under State law, have better collateral for refinancing; or to add to existing farm units, many of which are too small to furnish an adequate family living.

5. The increase in additional income tax due to more feasible farm operations here would create additional income for the federal government.

6. Under this Act further appropriations for the Riverton project would not be required; while under bureau control annual appropriations and new legislation for "relief" of the project seem to be a continuous process.

SEC. 2. Sale of Pilot Butte Power Plant to the Midvale Irrigation District:

1. Power plant was initially built to operate drag line for construction of Wyoming Canal and was a part of the project.

2. Power plant was returned to federal agovernment agent (Bureau of Reclamation) by the 1931 Repayment contract, as at that time the bureau negotiators convinced the District Commissioners (two of whom were not project land-owners) that the power plant would be a liability to the District and the bureau would be doing the irrigators a big "favor" to take it off their hands. Since 1931 the sale of power, under proper management and crediting of revenue, should have repaid the federal government the costs of the power plant as well as the construction costs of the District works, therefore, it may be assumed the present repayment obligation has effect of making the irrigators pay twice for the project.

3. Due to the need for permanent (concrete) canal linings to stop the leakage of the canals and laterals, as well as major repair and/or replacement of some of the big drop structures, there is need for a source of annual revenue to rebuild and correct mistakes that have been made—this need could come from power plant revenue.

Sec. 3. Sale of lands in Third Division and Cottonwood bench:

1. This would get the bureau of reclamation out of the land business as well as "off" the land classification hook implied where attempts are made to establish a so-called "economical farm unit" by land class on Riverton Project and eliminate the implication of any guarantee by the Government as to arability of the lands. Also, proceeds from the sale of lands would return to reclamation fund a part of the amount expended to buy out Third Division entrymen.

2. In private ownership the lands would be on County Tax rolls.

3. Limit the amount of land to be owned by an individual yet a man and wife could own a section of irrigated and a section of dryland. The 320-320 should thus allow a family to convert to a livestock economy.

4. The land limitation under reclamation laws would not apply on lands in the Midvale District if construction charges are cancelled and farm units could be increased in size to be more in line with present farm operations than under the original Reclamation Act of 1902 which restricted the acreage to 160.

5. Land owners could adjudicate their water rights under the Statutes of the State of Wyoming and, thus, have a better opportunity to obtain long term financing and better appraisals by lending agencies to increase the size of farm units and/or do needed rehabilitation work such as farm ditches, drainage etc. which are now prohibited due to priorities established in favor of the federal government.

6. Would also preserve the water rights for Wyoming rather than let it go "on demand" down the river to float barges on the Mississippi.

7. With the lands in Third Division and Cottonwood Bench made available for purchase and a more favorable climate to obtain financing, it is quite possible some of the Midvale land owners would want to add to their present holdings; however, the purchasers of the Third Division and Cottonwood bench lands should also have the privilege of determining by majority vote whether they want to come under the Midvale District or form a District of their own and have a "pro rated share of the joint works" as defined in the Midvale Irrigation District Amendatory Contract of 1952. (The Third Division Irrigation District has been established under Wyoming Statutes, and the status of this District at present has not been determined.)

(NOTE.—Substantiating evidence for the various points may be found in various reports, and hearings in regard to the Riverton Project as well as in the Reclamation laws pursuant to this project.)

BISMARCK, N. DAK., December 7, 1967.

Senator CLIFFORD HANSEN,
Senate Office Building, Washington, D.C.:

The Upper Missouri Water Users Association convened in 20th annual conference in Bismarck, N. Dak. today; endorsed proposed reauthorization of Riverton project and urge enactment of S. 670. Please relay to Chairman Anderson.

VERNON COOPER, *President.*

CASPER, WYO., December 10, 1967.

Senator CLIFFORD P. HANSEN,
New Senate Office Building, Washington, D.C.:

The Wyoming Water Development Association has the following current resolution on the Midvale Irrigation District which we respectfully request be made a part of the hearing on the Riverton reauthorization legislation (S. 670):

"Riverton reclamation project whereas the Congress took action on the third division of the Riverton project and whereas the Midvale district of the Riverton project is in need of a rehabilitation program, and

"Whereas, the third division has now passed into the hands of the Federal Government and the people have left the area. Now, therefore,

"Be it resolved, That the Wyoming Water Development Association strongly urges that Congress authorize the U.S. Bureau of Reclamation to start immediately on needed correction to complete and rehabilitate the Midvale District. Be it

"Further resolved, That all third division land reclassified as irrigable be offered for sale to private owners with continued delivery of irrigation water to these third division lands."

KARL W. BERGNER, *President.*

Senator HANSEN. If there is nothing further, the hearing is closed and the committee stands adjourned.

(Whereupon, at 4:35 p.m. the hearing was closed.)

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